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The Antecedent of Competitive Advantage and its implication on Business Performance (Study on Overseas Education Consultant In Indonesia)

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Abstract

The rising need for Indonesian students, to continue their studies abroad, is an opportunity for overseas education consultant organizations to provide services and information for prospective students & parents. Currently, these educational agents are significantly needed despite the internal and external challenges that affect Business Performance. Therefore, this research aims to determine how the Competitive Advantage of overseas consultant services is influenced by variables from International Experience, Entrepreneurial Orientation, Company Reputation, and Business Performance. Data were obtained from Directors and Managers of 106 agent education consultants in Indonesia. The sampling method used in this research is a saturated sample and analyzed using the Pearson Chi-Square and an Asymp.sig (2-sided) value of 0.008 <0.05. The result showed a relationship between overseas education consulting services and institutions. Furthermore, using the Lisrel 8.70, the value of multivariate normality with the P-value of Skewness and Kurtosis is 0.718 > 0.05. Therefore, it can be stated that the data is normally distributed with five hypotheses indicating significant relationship, while two were insignificant, namely the International Experience towards Business Performance variable by 1.82 < t-Table (1.96) and the t-count value of the Entrepreneur Orientation towards Business Performance variable by 1.14 < t-Table (1.96).

Keywords: Education Agent, International Experience, Entrepreneurial Orientation, Company Reputation, and Business Performance

1. Introduction

According to ICEF (International Consultants for Education and Fairs [1], Indonesian students' interest to continue their studies abroad keeps increasing by 35% yearly, thereby leading to an ideal market potential for overseas institutions. This is because it is the fourth most populous country in the world and young people (under the age of 30) encompasses approximately 50% of the total population. Indonesia is listed as the 16th largest economy globally and is presumed to be fourth by 2050. Meanwhile, data obtained from the Department of Education, Skills and Employment Australia cited from the Global webinar series on Aug 2, 2020, following the Trade Investment Queensland (TIQ) [2] reported that until 2018, the favorite destinations for most students, relatively 17, 000 of them is dominated by Australia, followed by China, Malaysia, and the USA. The data from ICEF also stated that the number of Indonesian students studying in Australia is usually fixed. However, this is

an ideal opportunity for overseas education consultants that act as intermediaries between these institutions and prospective students or their parents. Currently, the existence of an agent is essential, irrespective of the external and internal challenges. This research is aimed at determining company performance. Therefore one of the variables considered with internal challenges is an international experience. This is because this business is sustained by sending students abroad. The agents are bound to get a certain percentage of the commission from these institutions regardless of the number of people that travel abroad to study yearly [3].

Based on survey educations.com that prospective Southeast Asian students are looking at more practical factors when it comes to studying abroad compared to other regions, with a continued trend toward career focus, funded studies, and opportunities for work visas in their country of study. Countries from the survey include: Brunei, Cambodia, East Timor, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam, with over 2,700 responses included from this region student from South East Asia choosing their study based on the friendliness and openness of a country's culture towards international students is a growing factor for how Southeast Asian students choose their country of study. A country's reputation for a high standard of education is also growing with a decreasing focus on the primary spoken language of the country. Southeast Asia students choose were study to abroad search by firstly deciding on their program of study before moving onto country of study and, lastly, evaluating the university as a whole. They also are showing an increasing focus on teaching quality, cost of living, and campus facilities. This below is the survey result in figure 1
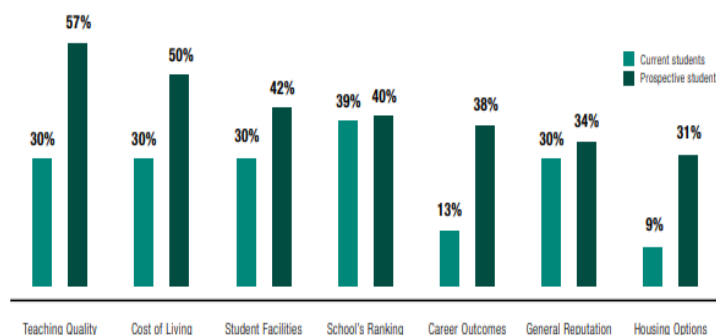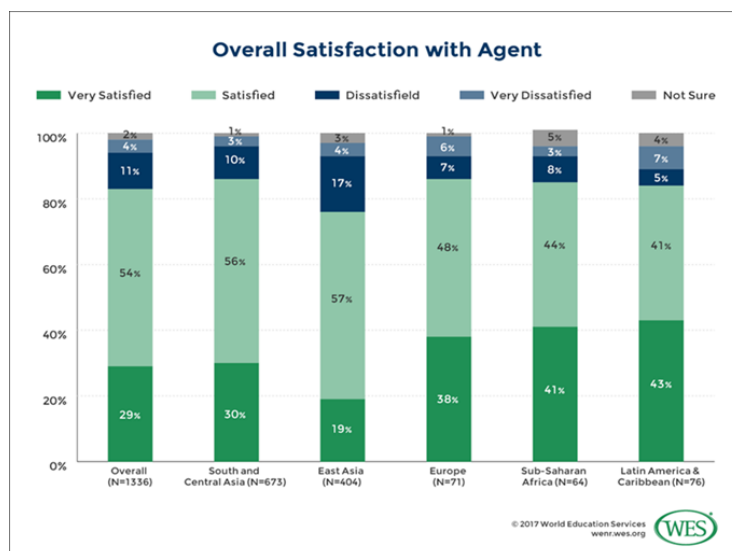

Figure 1: The prospective Southeast Asian students are looking at more practical factors

Source: Educations.com (2019)

The number of programs on offer, recommendations from family and friends, and the location of the school has dropped out of top considerations for prospective students [4]. This business requires reliable agents to convey accurate information and attend to the needs of prospective students and their parents [5].Therefore, international experience is essential in managing this business, because the agent is an institutional partner. Leaders or managers with international experience and knowledge regarding the way or manner to organize and manage companies in the local environment [6]. This understanding is related to the agreement or relationship between an agent and the institution, although, this is not permanent [7]. In 2017, the World Education Services (WES) surveyed 5,880 international students in 50 countries [8]. This was aimed at discerning the students' experiences with overseas education consultants. The respondents were students that had already participated in the registration processes of institutions abroad or those that intend to indulge in similar circumstances.

To manage this business also requires international experience (International Experience) considering the nature of this business is the trust is given by the institution to the agent to be offered to prospective students and parents so that this product is intangible (Barkema, Bell, & Pennings, 1996) in (Hollender, Zapkau, & Schwens, 2017), the institution through its experience will offer products/services into the global market to provide experience to managers or staff as educational consultants. Leaders or managers who have experience internationally because of their abilities will provide knowledge about how to organize and manage companies in an international environment (Dow & Larimo, 2011; Eriksson et al., 1997). This understanding is related to the agreement between agents and institutions which is not permanent because it involves educational consultants as venture capital (Carpenter, Sanders, & Gregersen, 2001). Other research conducted (Xiang and Lindquist 2014) in (Thieme, 2017) explains that agents have the opportunity to offer other products to prospective students and parents because one of the agent's functions is to expand the network with various universities abroad.

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Figure 2 Overall satisfaction with agent

Source: 2017 World Education Services

Based on figure 2 to the diagram, 57% of 404 Asian respondents are satisfied with these agents' services, while 17% are dissatisfied. The survey shows that some of these students were dissatisfied with the services rendered by these agents because it did not satisfy their expectations, namely unreliable information, unclear fees, and lengthy responses. This condition positively affects their reputation. Meanwhile, the research carried out by [9], on the ICEF stated that there are numerous reasons institutions need to collaborate with overseas educational agents because they provide information for prospective students that intend to continue their studies abroad yearly. They also provide indigenous students with an analysis of the market situation and regularly assist with promotional activities concerning the institution. Furthermore, they aid in publicizing educational exhibition activities and serving as a communication liaison between these institutions and prospective students during interview sessions. However, the research carried out by [10] stated that in the United States, educational promotion. Agencies do not recommend the collaboration between institutions and agents because it tends to affect tuition fees.

Meanwhile, the United States Trade Department perceives the potential for higher education as a relevant commodity [11], and cooperation with agents as a business platform that brings together students intending to study abroad. This business is relevant because the market offers rapid and practical information [12]. Besides, this generation is referred to as spoiled consumers [13]. According to [14] agents that offer quality services provide accurate information, and this leads to competitive advantage. Meanwhile, several other studies reported that the reason China makes use of these agents to date is that many students do not understand the terms or criteria for selecting institutions when filling out forms on applications and they also lack an understanding of the visa [15]. Furthermore, quality services tend to affect the increase in profitability [16]. This is consistent with the research carried out by [17] which stated that the reason for institutions to select or collaborate with agents is due to internal factors, Local connections, including the services rendered to both prospective students and Universities. According to the information obtained from one of the largest agents in Indonesia during an interview session online, it was discovered that "hundreds of educational consultants are spread across the country." However, based on the association of several overseas agents in Indonesia, 50% of educational consultants are unable to render maximum services, because this business activity is carried out individually from the comfort of ones' home. Therefore, it is easier to determine whether this business is legal, because according to an experienced educational agent, there is a need for authorization, considering that this business requires trust this is due to international experience limitations, which tends to affect the company's reputation and performance. Subsequently, this business's management also requires the international experience [18]. The institution offers products or services based on the experiences of these consultants.

Therefore, the novelty of this research lies in the fact that it was carried out in Indonesia and previously some research was conducted in the form of case studies of qualitative and empirical research with the unit of analysis being students, this is like research conducted by (Yang & Akhtaruzzaman, 2017); (Shawn Lestage, 2016); (Kirsch, 2014); (Nikula & Kivistö, 2018); (Zhang & Serra Hagedorn, 2014); (Business, Management, Petra, & Siwalankerto, 2016): (Thomson et al., 2014); (Huang, Raimo, & Humfrey, 2016); (Robinson-pant & Magyar, 2018); (Sarkar & Perényi, 2018); (Hagedorn & Zhang, 2011); (Zhang & Serra Hagedorn, 2014); (Raimo et al.,

2014a); (Y. Jiang, 2015); (Bista, 2018); (Wiggins, 2016) and Also, some of the previous studies were in the form of qualitative and empirical analyses and the students, were considered as the respondents [19].

2 Materials and methods

This research is based on previous studies' perspective by observing the phenomena in this industry, using approaches centered on the grand, middle, and substance theories.

a.   Strategic Management - is a decision or an action that involves the formulation and implementation of plans designed to realize company goals. Meanwhile, [20], reported that it is an action that determines the long-term performance of an organization based on the formulation of plans, its implementation, evaluation, and control strategies. It was further reported that companies that tend to implement strategic management possess clearer vision and understand extremely rapid environmental changes [21].

b.   Foreign Market Entry - The choice to get involved in the global market is an important strategy that aids in decision-making [22]. These options are classified into two categories, namely, equity and non-equity entry modes [23]. Conversely, the agents in this research are included in the non-equity category [24], however, most institutions prefer the entry mode because it does not require numerous resources and provides flexibility for companies [25]

c.   Entrepreneurship - The development of entrepreneurship in the grand theory is based on previous studies which discuss the remaining six hypotheses [26], in the early 20th century, entrepreneurs were no longer distinguished from groups of managers. Meanwhile, entrepreneurship is defined as the process of creating values and works of art led by entrepreneurs in an uncertain environment [27].

d.   Firm-Specific Factors - According to [28], the specific ownership factor by the internationalization process requires human and other types of resources, such as international experience, entrepreneurial orientation, and reputation [29], stated that firm performance's direct effect leads to "strategic orientation." company performance is an orientation approach used to determine the decision-making process in an organization [30].

e.   International Experience (IE) – [31], reported that IE is one of the major internationalization variables [32], and considered as a part of the resources [33]. This particular variable accumulates over time, depending on the conditions of the site. Furthermore, it is one of the characteristics that lead to a sustainable competitive advantage [34], Organizational learning possesses exploitation (internal) and exploration (external) [35], directly obtained from experience, other people (including education), or company [36]. Majority of the companies involved in exportation lack adequate resources or the willingness to acquire knowledge. reported that international experience is invisible although it is felt [38] because it provides knowledge and prowess specifically about the way or manner to organize [39]

Its dimensions consist of attention, retention, and reproductive [40]. It is realized by paying a short visit to any country [41].

f.   Entrepreneurial orientation (EO) - The choice of entry mode is influenced by several company resources, commitment to expansion, and the extent to which it intends to be operationally involved [42]. It was first introduced by [43] that used dimensions (innovativeness, proactive, and risk-taking) to measure a person's entrepreneurship level. Some previous studies described entrepreneurial orientation as an activity, or process, practice, and decision-making that lead to innovations [44]. This is consistent with research carried out by [45], which stated that EO is represented by dimensions of risk, innovative, and proactive behavior [46]. Furthermore, it is developed through other dimensions such as risk-taking, innovation, proactive, competitive aggressiveness, and autonomy as part of the conceptual EO [47].

g.   Company Reputation - According to [48], the most important element in the business world is a company that has scarce and valuable resources. It also needs to possess a competitive advantage to obtain an average return which shows a comparative performance exceeding that of other units in the same industry [49]. The research carried out by [50] stated that the reputation of a company or an organization is built by various constitutions namely stakeholders, employees, customers, and the public [51]. It involves the following dimensions: emotional appeal, products and services, vision and leadership, and work placement environment (Harris-Fombrun 2001; Thieme, 2017) [52]. A good reputation is considered a long-term asset that offers various benefits to the organization [53].

h.   Competitive Advantage - [54] reported that competitive advantage is an effective, profitable strategy in this market. Meanwhile, the research carried out by [55] reported that it is a force that is related to company performance. Competitive advantage is different abilities compared to other competitors [56] This is realized, supposing the customer feels that the services or products offered are better than those of the competitors. The

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studies carried out on SMEs in Sri Lanka reported that competitive advantage indicators are price, quality, innovation, and delivery [57].

i. Business Performance - According to [58], increased competition alters quality improvement methods, thereby leading to business continuity [59]. Globally, this is one of the most important drivers of competitiveness [60], conversely, the business performance offers a lot of understanding. [61] and [62] reported that it is the connection between behavioral variables, output, and outcomes (value-added or impact). [63] Reported that company performance is a construct that is generally used to measure a strategic orientation's impact. [64] Stated that it is the successful innovation of new products in the market, measured through sales growth and shares. Based on the research carried out by del Alonso-[65] on the service industry, the variable of business performance is measured by analyzing the growth of sales, profits, and market shares over the last three years.

3 Methods

This study adopted a descriptive & explanatory approach. [66] Reported that a descriptive study is centered on fact-finding by appropriate interpretation. Meanwhile, according to [67], it is usually carried out by collecting and analyzing societal problems, including relationships and ongoing processes. On the contrary, an explanatory survey is used to determine the variables' characteristics. The unit analysis of this research is based on an Overseas Education Consultant Company in Indonesia. The research objects are the Directors or Managers of 106 companies. A census method was used to determine the number of samples. This approach is referred to as saturated sampling. The respondents reside in big cities such as Jakarta, Tangerang, Bandung, Jogjakarta, Surabaya, Medan, Pontianak, and Papua. An illustration of the research model is shown as follow:
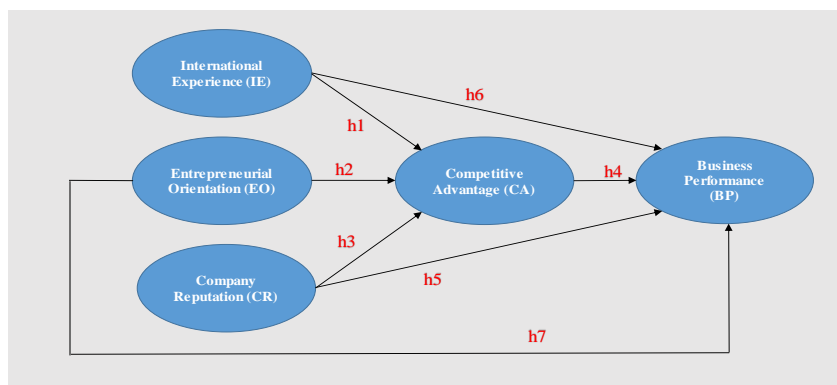

Figure 3: The research model

Source: Author, 2020

The research carried out explained several examples and descriptions, which led to the understanding of causalities and mechanisms. Subsequently, two factors stated in this research, include the respondents' profile which is in the form of demographic data (age, gender, position, duration of work), and that of the overseas educational agents namely duration of establishment, business type, and the number of branch offices. The descriptive analysis was used to obtain the respondents' responses to the questionnaire. These reactions were divided into 6 categories using a Likert scale. By previous research, the model had 56 indicators, however, only 18 of them were utilized (derived from the dimensions that were transformed into indicators). Also, these indicators need to fulfill a population size of 106 analysis units. Furthermore, to accommodate the model simplification process, the use of SEM for data analysis is based on a two-step approach designed by Anderson & Gerbing, namely Measurement and Structural Model Analysis (SEM). This study discusses the effect of international experience, entrepreneurial orientation, and company reputation on competitive advantage as well as its impact on business performance. However, with the existence of intervening variables, there is a direction of the relationship in the independent and dependent determinants. On the contrary, an indirect relationship exists between the competitive variables which serve as a mediation. However, supposing a x b x c has a significant effect, it tends to move in the opposite or negative direction [68].

4 Results of Validity Test

This study shows that the validity and reliability tests were initially carried out on 41 educational agents. According to [69], the validity test is used to determine the accuracy of the instrument, as well as the worthiness of the utilized items. This test was carried out based on the Confirmatory Factor Analysis (CFA) method using

LISREL 8.70 software. The CFA results obtained from Exogenous and Endogenous analysis show that all the items are valid.

5 Results and discussion

Company Characteristics- the analysis unit in this research is a company engaged in overseas educational agents. According to [70], they are either individuals or companies that render commercial services to assist the process of studying abroad. Tuxen & Robertson (2018) also reported that students' interest to continue their studies created opportunities for agents to carry out business activities through one-stop services. Meanwhile, Y. Jiang (2015) reported that international educational agents or consultants obtain information directly from institutions responsible for carrying out international students' recruitment process (Mazzarol & Soutar, 2002).

5.1 Description Interpretation

The demographic profiles need to be understood to determine the results of this study. This provides an analysis of the respondents' questionnaires before they fill it based on the given variables. Subsequently, during the measurement, the chi-square test and crosstab analysis were used to analyze the demographics' interpretation, as follows:
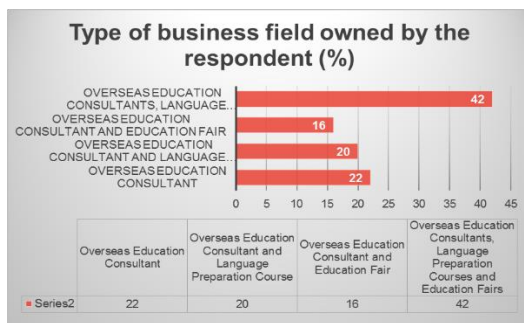

Figure 4.1 : Type of Business field

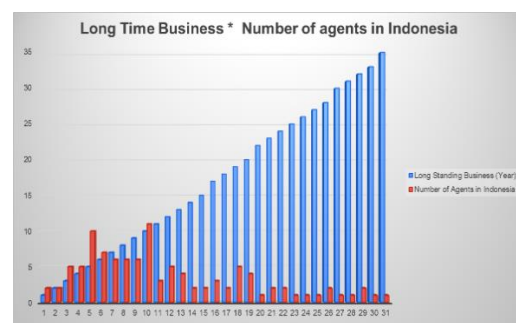Source   : by the author through SPSS (2020)

Figure 4.2 : Long Time Business

Source   : by the author through SPSS (2020)

By the qualitative data presentation, particularly on a nominal scale, the chi-square tests and the cross tab analysis were carried out to determine the relationship between the question indicators. This was obtained based on the relationship between the duration of operation and the total cooperation of the partners and the Director or Manager towards the variable International experience, which is shown in the following table

Table 4. 1 : Chi-Square Test-1

5.2 Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	6.947[a]	1	.008		
Continuity Correction[b]	5.618	1	.018		
Likelihood Ratio	8.053	1	.005		
Fisher's Exact Test				.008	.006
Linear-by-Linear Association	6.882	1	.009		
N of Valid Cases	106				

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 6.96.

b. Computed only for a 2x2 table

Source: Processed by the author through SPSS (2020).

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Based on the output table, it is evident that the Asymp. sig (2-sided) value at the Pearson Chi-Square test is 0.008. However, because of the Asymp. sig (2-sided) value is 0.008 <0.05, H0 was rejected while Ha accepted. Therefore, there is an existent relationship between educational agents' operation in

Indonesia and the total cooperation with partners in the form of agreement. Meanwhile, to determine the effect of filling out the questionnaire by respondents on the International experience variable, a Chi-square test was carried out, and the following results were realized.

Table 4. 2 : Chi-Square test-2

5.3 Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	.347a	1	.556		
Continuity Correctionb	.017	1	.897		
Likelihood Ratio	.347	1	.556		
Fisher's Exact Test				.665	.446
N of Valid Cases	106				

a. 2 cells (50.0%) have expected count less than 5. The minimum expected count is 2.36.

b. Computed only for a 2x2 table

Source: Processed by the author through SPSS (2020).

Based on the output table 2, it is evident that the Asymp. sig (2-sided) value in the Pearson Chi-Square test is 0.556. Conversely, because the Asymp. sig (2-sided) value is 0.556.> 0.05, H0 was accepted, and Ha was rejected. Accordingly, it was reported that there is no relationship between the company's position and efforts to improve the international experience of overseas educational agents in Indonesia. An index value was used to analyze the statements made by educational agents. An average index value realized for International Experience (IE) was 4.81. It was obtained based on the following dimensions, namely attention, retention, and reproductive participation, and it is within the range of 4.36 to 5.19. This indicates that the director or manager agrees with the importance or relevance of international experience in this type of business. Meanwhile, the variable Entrepreneurial Orientation (EO) had an average index value of 4.81. This was realized from the following dimensions, namely achievement, locus of controls, self-reliance, extroversion, and risk-taking and the values were within the range of 3.52 to 5.19. The indicators of locus of control, self-reliance, extroversion, and risk-taking have several values less than 4.36, and this implies that they tend to agree to the directors' or managers' response towards this variable. However, 76% of the managers fill out the statements on variables regarding the fact that individuals entirely own this company.

Based on the Company Reputation variable, the average index value obtained from the dimensions of Emotional appeal, Product and Services, Workplace Environment, as well as Vision and Leadership is within the range 4.36 of 5.19. This means that the director or manager agrees with the importance or relevance of maintaining the company's reputation. In this business, it is defined as services rendered following the standards of the company. Meanwhile, the variable competitive advantage is from 4.36 to 5.19. This means that the director or manager agrees that there is for competitive advantage. Competitiveness in this circumstance is a product that is not owned by other competitors.

Results of Model Evaluation Furthermore, data processing was carried out under SEM analysis using the Lisrel 8.71 program. It was necessary to evaluate the model using Univariate normality, and Multicollinearity tests, including confirmatory factor analysis.

A Univariate Normality Test

In the normality test, the Maximum Likelihood estimation technique was used to avoid bias and inaccurate results. Besides, it was also carried out by using the skewness and kurtosis approaches.

Table 4.3 Univariate Normality test

	Skewness	Kurtosis	Skewness and Kurtosis

Variable	Skewness		Kurtosis		Skewness and Kurtosis	
	Z-Score	P-Value	Z-Score	P-Value	Chi-Square	P-Value
Att	-0.103	0.918	-0.313	0.754	0.108	0.947
Ret	-0.075	0.94	-0.057	0.954	0.009	0.996
Repr	-0.637	0.524	-0.861	0.389	1.147	0.564
Achv	-0.141	0.888	-0.443	0.658	0.216	0.898
Loc	-0.137	0.891	-0.491	0.624	0.259	0.878
Self.Re	-0.029	0.977	0.134	0.894	0.019	0.991
Extrover	0.021	0.984	0.077	0.939	0.006	0.997
Risk	0.038	0.97	0.08	0.936	0.008	0.996
Emon	-0.374	0.708	-0.695	0.487	0.623	0.732
Pns	-0.22	0.826	-0.506	0.613	0.305	0.859
Vnl	-0.27	0.787	-0.384	0.701	0.22	0.896
Workplac	-0.377	0.707	-0.347	0.729	0.262	0.877
Price	-0.278	0.781	-0.318	0.75	0.178	0.915
Quality	-0.175	0.861	-0.072	0.943	0.036	0.982
P. Innov	-0.09	0.929	-0.097	0.923	0.017	0.991
Deliver	-0.052	0.958	0.105	0.916	0.014	0.993
Income	-0.062	0.951	-0.325	0.745	0.109	0.947
Growth	-0.027	0.978	-0.127	0.899	0.017	0.992

Source: Output of Lisrel 8.71

B Multivariate Normality Test

The results from the calculations using the Lisrel program for the Multivariate Normality Test are shown in table 4.4

Table 4.4: Multivariate Normality test

Value	Skewness		Value	Kurtosis		Skewness and Kurtosis	P-Value
	Z-Score	P-Value		Z-Score	P-Value	Chi-Square	
65.155	0.245	0.807	349.141	-0.777	0.437	0.663	0.718

Source: Output of Lisrel 8.71

Based on the results from the calculation, the P-value on skewness and kurtosis for each dimension is >0.05. This means that the data realized from the respective dimensions were declared normal, therefore, it was continually used for structural model testing. In accordance with the multivariate normality results, the P-value of skewness and kurtosis was obtained as 0.718> 0.05. Therefore the data was also reported to be normally distributed. In conclusion, the data realized from univariate and multivariate, met the normality requirements.

C Multicolinearity test

The Multicolinearity test, adopted the partial correlation approach as shown in table 4.5

Table 4.5 ; Multicolinearity test

	IE	EO	CR

IE	1.00		
EO	0.18	1.00	
CR	0.30	0.34	1.00

Source: Output of Lisrel 8.71

Based on the output of Lisrel program, the value of the correlation between the independent variables need not exceed 0.8. Therefore, the model is free from enormous Multicolinearity symptoms.

D Confirmatory Factor Analysis Test

1. International Experience (IE) - The CR and VE values for attention was 0.866> 0.7, and 0.684> 0.5 respectively. It was, therefore concluded that these values are reliable. Furthermore, based on the results from the loading factor, it is evident that the IE-4 indicator has the highest value on retention. Conversely, this indicator is the strongest because it reflects this dimension. Meanwhile, the IE-6 indicator has the least loading factor value, it is, therefore, the weakest indicator that reflects this dimension. Based on the CR and VE values in the first order of 0.973> 0.7 and 0.922> 0.5 respectively, it was concluded that these values are reliable. This implies that these dimensions are consistently used to measure the variable international experience.

2. Entrepreneurial Orientation (EO) - The loading factor results show that the EO-1 indicator has the highest value in terms of the achievement dimension. However, the EO-2 and EO-3 indicators have the least value. The CR and VE values for achievement were 0.849> 0.7 and 0.652> 0.5 respectively, therefore it was concluded that it is reliable. This shows that the indicators in this dimension have consistently been used to measure the construct of entrepreneurial orientation.

3. Company Reputation (CR) - Following the results from the CFA test, it is evident that all indicators have a loading factor that is greater than 0.5 The CR and VE values for emotional appeal were 0.902> 0.7 and 0.697 > 0.5 respectively, therefore it is reliable. Based on the loading factor results, it is evident that the CR-8 indicator has the highest value (0.84) in the product and service dimensions, therefore it is regarded as the strongest. Meanwhile, the CR-6 and CR-7 indicators have the least loading factor value (0.77). The CR and VE values for the product and service dimensions were 0.877> 0.7 and 0.641> 0.5 respectively, this means that it is reliable.

4. Competitive Advantage (CA) -The results from the CFA test shows that all indicators have a loading factor greater than 0.5. Accordingly, it was concluded that each indicator is a valid measuring tool for the respective latent variables. Based on the loading factor results, the CA-1 and CA-2 indicators had the highest value in terms of price dimension. This implies that it is the strongest indicator that reflects this dimension. The CA-3 indicator has a low value therefore, it is the weakest in reflecting the price. The CR and VE values for this dimension was 0.955> 0.7 and 0.623> 0.5 respectively therefore it is reliable. The CA-6 and CA-5 indicators have the highest and least loading factor values, respectively. Meanwhile, the CR and VE values was 0.974> 0.7 and 0.903> 0.5 respectively, therefore it is reliable. This shows that these dimensions consistently measure the competitive advantage variable.

Business Performance (BP) - CFA testing on Business Performance proves that all indicators have a loading factor that is greater than 0.5, therefore it was concluded that each indicator is valid. CR and VE values for BP are 0.877> 0.7 and 0.587> 0.5, respectively, and considered reliable. This shows that all indicators consistently measure the business performance construct.

6 Result of Structural Model Evaluation

The full structural model estimation analysis describes the relationship between the latent variables. It is carried out when the measurement model has been investigated through confirmatory factor evaluation. The shown in the following figure as follows:

The Antecedent of Competitive Advantage and its implication on Business Performance (Study on Overseas Education Consultant In Indonesia)
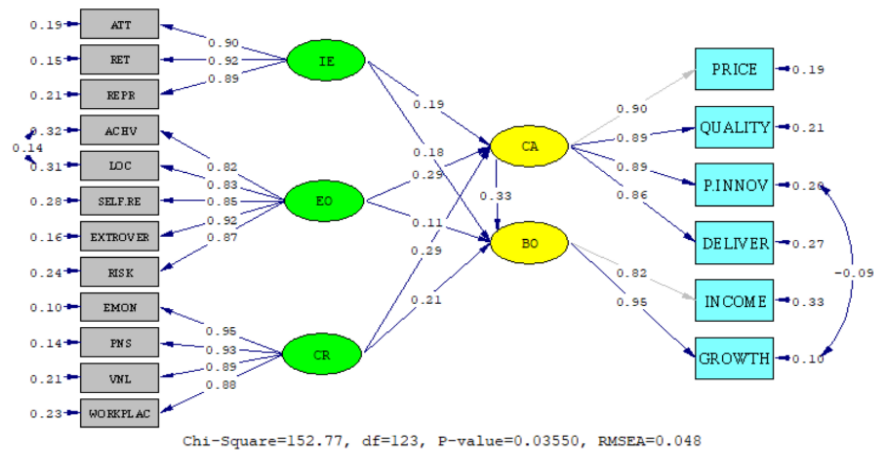
Figure 4.4: Results of a full structural model (standardized)

Source: output of Lisrel 8.71.

Full SEM model testing is carried out based on two types of analyses, namely model suitability and hypothesis testing. Subsequently, the research hypothesis testing is carried out through the structural models. The hypothesis is accepted supposing the t-value> t-table (1.96).
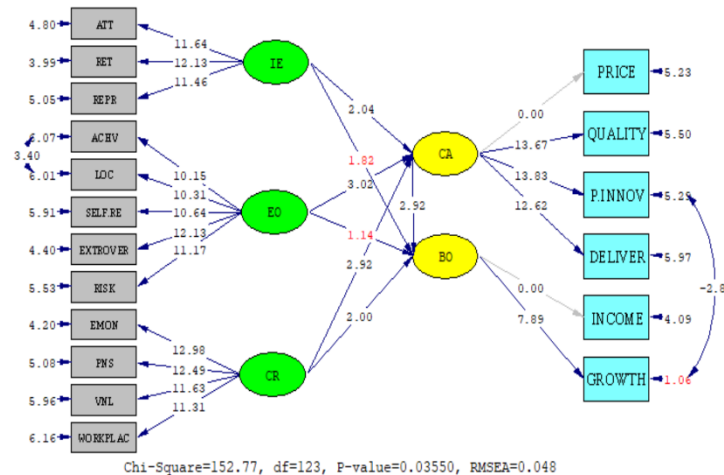
Table 4.2: Evaluation of Structural Model Fit Indices

Source: Primary data processed. 2020

Full SEM model testing is carried out based on two types of analyses, namely model suitability and hypothesis testing. Subsequently, the research hypothesis testing is carried out through the structural models. The hypothesis is accepted supposing the t-value> t-table (1.96).

Table 4.6 : Evaluation of Structural Model Fit Indices

No	Structural Path	Standardized Estimate	Critical Ratio (t-value)	t-table	p	Label
First	IE → CA	0.19	2.04	1.96	0.32	Accepted
	EO → CA	0.29	3.02	1.96		Accepted
	CR → CA	0.29	2.92	1.96		Accepted
Sec	CA → BP	0.33	2.92	1.96	0.	Accepted

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ond					37	pted
	CR → BP	0.21	2.01	1.96		Accepted
	IE → BP	0.18	1.82	1.96		Rejected
	EO → BP	0.11	1.14	1.96		Rejected

Source: Primary data processed. 2020

In the initial sub-structure, the first hypothesis is tested with the IE variable, which affects CA. It is a known fact that the value of the coefficient is 0.19, and in a positive direction, therefore a better IE causes an increase in CA. Furthermore, the path coefficient is tested to prove the significant effect of the IE towards CA variables. Based on this table, it is evident that the t-count value of the IE variable is 2.04 > t table (1.96). Therefore, the t count value is greater than the t-table, however, at an error level of 5% (two tail), H_0 is rejected while H1is accepted. Furthermore, based on the test a result, hypothesis 1 was accepted, this means that international experience has a significant effect towards competitive advantage. This is consistent with the research carried out by [71] which reported that leaders with International Experience tend to create sustainable competitive advantage (CA) for companies, because they have a positive influence [72]. The second hypothesis tested is the effect of EO on CA, and the value of the coefficient is 0.29 in a positive direction, conversely the better EO, also causes an increase in CA.

Based on the table, the t-count value of the IE variable is 3.02> t-table (1.96). Therefore, it is greater than the t table at 5% error level (two tail), the hypothesis was accepted. It simply implies that EO has a significant effect on CA. This is in accordance with the research carried out by [73] which stated that EO positively influences each dimension of CA. The third hypothesis tested is the effect of CR on CA, and the value of the coefficient is 0.29 in the positive direction, therefore a better CR, causes an increase in the CA. This value is greater than the t table, although at 5% (two tail) error level, this hypothesis was accepted. This means that CR has a significant effect on CA. This is in accordance with research on 181 manufacturing industries carried out by [74] in Turkey, which stated that the dimensional effect of company reputation on performance shows a positive relationship. Based on the second sub-structure, the fourth hypothesis tested is centered on CA's effect on BP, and the value of the coefficient is 0.33 in the positive direction, therefore a better CA, also causes an increase in the BP . Based on the table, the t-count value of the CA variable is 2.92> t table (1.96). This value is greater than the t table, therefore at an error rate of 5% (two tails), the hypothesis was accepted. This research is consistent with the study carried out by [75] on SMEs in Dubai which reported that market and technological orientation including alliances as a source of competitive advantage (Competitive Advantage) have a significant correlation with Business Performance [76].The fifth hypothesis is based on the effect of CR on BP variables, it is evident that the value of the coefficient is 0.21 and positive. In addition, better CR causes an increase in BP. Furthermore, the path coefficient was tested to prove the significant effect of the CR on BP variables. Based on these results, the t-count value of the CA variable is 2.00> t table (1.96). The t-count is greater than the t-table, therefore, the hypothesis is accepted. This is consistent with previous research carried out by [77] which stated that Company Reputation has a positive effect on performance, and according to this study, its impact is usually carried out over a longer period of time. The sixth hypothesis is in accordance with the effect of the EI variable on BP; conversely, the value of the coefficient is 0.18. It is in the

positive direction and a better IE, causes an increase in BP. Based on the table, the t-count value is 1.82 <t-table (1.96). Therefore, it is smaller than t table, and it was concluded that the hypothesis was rejected. However, this research is inconsistent with the studies carried out by [78] which reported that international experience has a positive impact on company performance. It is also evident that only a few studies were carried out on institutional settings' variables related to international experience. The seventh hypothesis is the effect of EO on BP variables, it is evident that the value of the coefficient is 0.11 in a positive direction. Furthermore, a better EO leads to an increase in BP. Based on the table, the t-count value is 1.14 <t-table (1.96). Therefore, it is reported to be smaller than the t table, and conclusively the hypothesis was rejected. This is consistent with research carried out by [79] on the performance of 200 SMEs in Tanzania, which stated that entrepreneurial orientation variables have an indirect effect on SME performance through competitive advantage.

7.1 Mediation Testing

This test aims to prove whether competitive advantage serves as mediation between international experience, entrepreneurial orientation, and company reputation in accordance with the business performance. Therefore, a mediation counter was carried out using Hayes' PROCESS 3.5 Program.

Path	Direct	Sig	Indirect			Total Effect	Sig	Effect Size	Decision
			CA	Boot LLCI	Boot ULCI				
IE → CA.	0.446	0.000	-	-	-	-	-	-	Complementary (mediation)
IE → BP.	0.114	0.023	0.065	0.016	0.212	0.179	0.000	0.119	
CA → BP.	0.146	0.000	-	-	-	-	-	-	
EO → CA.	0.383	0.000	-	-	-	-	-	-	Complementary (mediation)
EO → BP.	0.075	0.028	0.052	0.008	0.142	0.127	0.000	0.148	
CA → BP.	0.137	0.000	-	-	-	-	-	-	
CR → CA.	0.409	0.000	-	-	-	-	-	-	Complementary (mediation)
CR → BP.	0.103	0.036	0.051	0.034	0.171	0.154	0.000	0.139	
CA → BP.	0.124	0.001	-	-	-	-	-	-	

Note : LLCI= Low Level Confidence Interval (95%, α=5%); ULCI= Up Level Confidence Interval (95%, α=5%)

Source: Processing Results (2020)

The table shows that competitive advantage serves as a mediator between international experience, entrepreneurial orientation, and company reputation following the business performance. For example, international experience "a" × and competitive advantage "b" are significant as well as their direct effect on business performance "c". Both of these relationships tend towards a similar positive direction, this led to the conclusion that CA mediates the relationship between IE, EO, and CR with BP based on the confidence interval realized from the bootstrap results.

8 Conclusion

Based on the research results, it was concluded that there are two insignificant hypotheses, namely: International Experience (IE) towards Business Performance (BP) and Entrepreneurial Orientation (EO) towards Business Performance (BP), while the others are significant. Based on the results from the questionnaire shared to companies all over Indonesia, there are 76% and 24% filling in for managerial and director positions respectively. Based on the data from 106 companies, 56% are located in Jakarta, while the rest are found in cities such as Surabaya, Medan, and Pontianak etc. The first hypothesis results show a relationship between International Experience (IE) and Competitive Advantage (CA). Based on the t-count <t-table value at the error level of 0.05, it was therefore concluded that hypothesis 1 is accepted. According to the results obtained from Entrepreneurial Orientation (EO) towards Competitive Advantage (CA), the t-count value of the EO variable was realized as 3.02> t table

(1.96). Therefore, H_0 was rejected while H1 was accepted. It was concluded that at an error rate of 5% (two tails), H_0 is rejected and H1 is accepted. Conversely, hypothesis 2 is accepted, which means that Entrepreneurial Orientation (EO) has a significant effect on Competitive Advantage (CA).The third hypothesis is the relationship between Company Reputation (CR) and Competitive Advantage (CA), where the path coefficient test results obtained a value of 0.29 in the positive direction. This means that a better CR leads to an increase in

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CA. Furthermore, the t-count value of the CR variable is 2.92> t table (1.96) at a standard error of 5% (two tail). Therefore, it was decided that H0 needs to be rejected while H1 was accepted. It was concluded that Company Reputation (CR) has a significant effect on Competitive Advantage (CA).The fourth hypothesis is to analyze the Relationship between Competitive Advantage (CA) and Business Performance (BP). Based on the t-count value of the CA variable of 2.92> t table (1.96), therefore it was concluded that this hypothesis is accepted. However, it means that CA has a significant effect on BP. In accordance with the fifth hypothesis, there is an existent relationship between Company Reputation (CR) and Business Performance (BP). The path coefficient between CR and BP is 0.21 in a positive direction. Based on the t-count for the CR variable of 2.01> t table (1.96), it was concluded that the hypothesis is accepted. This means that Company Reputation has a significant effect on Business Performance. Meanwhile, the research results related to demography through crosstab shows significant outcomes, namely agent operations and collaboration with partners. Agents can create associations related to this industry in order to provide students comfort in obtaining information about studying abroad. Learning from other countries such as in Nepal and India, the presence of the association will provide a healthy and complementary competition for this industry. International experience is a very important asset for educational consultants, through partner relationships with universities can provide added value, staff (agent consultant) can get information that can be conveyed to prospective students and parents, during pandemic, currently virtual activities through communication with university partners can be more improved and Technological advancement is part of the advantage of being able to compete, especially for agents who do not have branches can make breakthroughs through promotional cooperation with agents who already have branches. This research still has limitations, however limitations can be used as opportunities for further research so as to be able to perfect this research. Limitations of this study includes ; Considering that there is no association in this industry, the authors searched data through social media and data from relatives, so the population collected was 106 agents in Indonesia and there are still other variables that can be done for further research such as technology, one of them

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