

ABSTRACT**The Effects of Creativity and Role of Information System on the Innovation, Marketing Performance, and the Sustainable Competitive Advantage of Pharmaceutical Companies in East Java Province**

The objectives of this research were to analyze and test the effects of creativity on the innovation and marketing performance, the effects of innovation and role of information system on the marketing performance and the sustainable competitive advantage (hereafter SCA), and the effects of marketing performance on the SCA of pharmaceutical companies in East Java Province.

This research was an survey research which was used for explanatory or confirmatory purpose, or widely known as hypothesis testing research. This research was also a perceptual study. The population of this research was all pharmaceutical companies listed in the East Java Association of Indonesian Pharmaceutical Companies and mentioned in pharmaceutical companies index (Informasi Spesialite Obat; ISO Indonesia, 40th edition, 2005:481-487). The total number of the population was 21 pharmaceutical companies.

Information or data in relation to creativity, innovation, role of information system, marketing performance, and SCA of these pharmaceutical companies in East Java Province were obtained based on the perception of their Chief Executive Officers (CEO), which were then called as research respondents or the primary data source. This research employed census or complete enumeration method. The method of data analysis employed by this research was path analysis.

The results showed that creativity had direct, positive, and significant effects on the innovation and the marketing performance of the pharmaceutical companies. Innovation had direct, positive, and significant effects on the marketing performance, and through its effects on the marketing performance, innovation also had significant and positive effects on the SCA of the pharmaceutical companies. Role of information system did not have significant effects on the marketing performance and SCA of the pharmaceutical companies in East Java. The objective of the pharmaceutical companies in East Java in using information system was merely to reduce costs or company expenditures (reducing the cost by saving money), not to increase the marketing performance. The information system had not yet played strategic and significant roles in the marketing performance of these companies. The companies used it only as support facilities for the administrative works so that the performance of the companies did not rely on information system. As support facilities, information system had no potential to provide important contributions to the achievement of SCA of these companies, even though its roles to support the administrative activities were considered important.

Key words: Creativity, Role of Information System, Innovation, Marketing Performance, Sustainable Competitive Advantage.