

ABSTRACT

This research aims to determine the effect of the internal business environment and external business environment for strategic planning in order to create competitive advantage in PT. Hero Supermarket Tbk. Research conducted classified in explanatory research that is associative with quantitative research methods. Source of data used are primary data and secondary data. Primary data obtained from questionnaires as many as 100 employees PT. Hero Supermarket Tbk at the level of department heads and managers.

Results from this research indicate internal business environment has not positive effect on the strategic planning, external business environment has positive effect on strategic planning, strategic planning has positive effect on competitive advantage, internal business environment has no positive effect on competitive advantage, the external business environment positively affects the competitive advantage.

Keywords: internal business environment, the external business environment, strategic planning and competitive advantage.