



## Factor Analysis of Operations Strategy at Umrah and Hajj Bureaus Fien Zulfikarijah<sup>1</sup>

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### ABSTRACT

*The study aims to determine the factors considered in implementing the operational strategy of Umrah and Hajj bureaus in Indonesia with 105 owners or manager respondents in New Normal conditions. The analytical tool used in this research was factor analysis with 7 variables: cost, quality, delivery, flexibility, innovation, service, technology, and differentiation with 27 variables. The results of rotation and factor reduction leave 19 variables with a total of 5 factors scilicet technology, service, quality, differentiation and cost. This finding was interesting because literature and technology research rarely discusses technology and services that were relevant to technological developments where most services were carried out online.*

**Keywords:** *Community service, Shariah implemented, Training, Mentoring*

### INTRODUCTION

In the current dynamic development of the business environment, adaptive adjustments are needed in every company. Operations strategy is a company's efforts to sell its products or services to consumers by becoming one of the company's foundations. Operations strategy or competitive advantage can be used in facing an increasingly global market. Experts agree that an operating strategy is crucial for companies, Awwad et al (2013) companies are forced to respond efficiently and effectively to the changing business environment, one of the most substantial challenges facing companies is to gain and develop competitive advantage, and plays an important role in creating decent company operational efficiency (Veiga et al., 2019). Operational strategies are more widely practiced in large companies. Still, the results of Koch et al (2015) show that in small and medium-sized companies managers take the initiative to succeed in operating strategies.

Even though strategic operations have stabilized, studies still need to be carried out because they are not yet optimal (Slack, 2005). Operations strategies are needed for all types of companies to make adaptive adjustments to a dynamic business environment that will become competitive (Liu & Takala, 2012). Baines & Lightfoot (2014) produce consistent business pattern thinking in operational decisions. The

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results from Baines & Lightfoot (2014) can be applied to service companies. Operations strategies have been successfully practiced in both manufacturing and service companies and have been proven to improve company performance (Lillis & Sweeney, 2013). Skinner introduced operations strategy as a competitive advantage through cost, quality, delivery, and flexibility, then practitioners added service, technology, and environment. *In their research*, N. Russell & H. Millar (2014) used indicators of quality, flexibility, cost, delivery, and innovation. In general, the operating strategy has cost, quality, delivery, and flexibility indicators, but as the business grows, services and innovation are added (Malek et al., 2015).

According to Heyzer (2016) competitive advantage directly states the creation of a system that has a distinct advantage from its competitors, the idea is to create customer value efficiently and sustainably. Heyzer is ahead of the competition for differentiation, cost leadership, and responsiveness. Competitive advantage is very important for companies in determining prospects, resulting in failure or failure according to research by Yuleva (2019), Lasalewo et al (2017), dan Stevenson (1999) which can be achieved through price, quality, and product/service differentiation, flexibility and time to certain activities. Wilson (2020) states that competitive advantage refers to other countries, not other companies because it is related to society, changes in market demand conditions are very fast, bringing together the production of goods/services on the international market. All of these advantages are measured through Gross Domestic Product (GDP), the ratio of exports and imports, as well as increased productivity. In particular, Taylor did not mention how to achieve competitive advantage and only explained how to measure competitive advantage.

The pathway to achieving competitive advantage can be based on different strategies, namely using cost leadership and differentiated using indicators of low-cost leadership, quality differentiation, innovation differentiation, and service differentiation with consideration following the manufacturing industry in Malaysia (Micheli & Mura, 2017; Samarrokhi et al., 2015). The indicators of cost, quality, delivery, and flexibility are carried out through cost, quality, delivery and flexibility, price, speed, differentiation, time, and response (Kumar et al., 2020; Qi et al., 2017). Sansone et al (2020) mention cost, quality, time, flexibility, innovation, and sustainability. This opinion can be classified into two, namely the initial and the addition. The initial concepts by Skinner were cost, quality, delivery, and flexibility. Terms added or changed by experts after Skinner are price, speed, differentiation, time, and response.

All of the ways to achieve the competitive advantage mentioned above are ideal, but not all of them can be done by companies. In other words, companies can choose one or several ways to achieve a competitive advantage that is tailored to the conditions of the company. One of them is the difference in the type of company and company level (Jagoda et al., 2016). Harmonization of operating strategies is expected to affect service quality and performance (Alkhatib & Migdadi, 2019).

The Umrah and Hajj bureau is a religious service business that serves Muslims in fulfilling the obligations of the 5th pillar, this business is very attractive and attracts a lot of interest from entrepreneurs because it has good prospects. The number of Muslims until 2022 is 87% of people in Indonesia (Ardani et al., 2022; Statista, 2022). The large number of Muslims in Indonesia is still not comparable to the implementation of Umrah and Hajj services which must be further improved (Hariyanto, 2021). Moreover, according to Halidin et al (2019) that Indonesia is one of the countries with

the largest number of Umrah pilgrims in the world. These services need to be fulfilled. Likewise, for the Umrah pilgrimage, the Hajj quota limit per year which causes the Hajj waiting list to exceed 20 years makes some Muslims choose to perform the Umrah pilgrimage only or carry out the Umrah pilgrimage while waiting for the Hajj departure schedule. This is an alternative form that can be done due to the long waiting list (Putri et al., 2020).

The development of the number of pilgrims/umrah pilgrims in Indonesia is ranked 2nd in the world after Pakistan (Halidin et al., 2019). The proof can be seen through the number of Umrah pilgrims, which are more than hundreds of thousands of people each year starting from 2016 – 2019 which shows a high average sequentially (699.6 thousand, 750 thousand, 1.1 million, and 849 thousand). While the number of pilgrims in the same year has reached 4.34 million people while the quota provided is only 231 thousand people (Kemenag, 2019; Ardani et al., 2022). This difference causes the haj waiting list to get longer. Meanwhile, the number of Hajj bureaus that exist is only 1013. If on average each Umrah/Hajj bureau can serve 1 million pilgrims and an average of 21 million per pilgrim, then each Umrah bureau manages as much as 21 trillion funds, indicating a business this is very interesting and prospective. This assumption applies if there are no obstacles that occur. Even though the reality is that the Umrah business, which is of interest to entrepreneurs, is attractive and prospects cannot be spared from drastic changes due to the pandemic and the current New Normal period.

The Umrah business, which has been in great demand by entrepreneurs some time ago, has changed due to the pandemic. For two years, all activities have stopped completely because there are no more Umrah and Hajj departures, so they cannot serve pilgrims. Because this business is very dependent on other countries where the condition of all countries is in a protective mode to minimize the widening and prolongation of the pandemic, even though several countries including Indonesia are in the New Normal stage faster. Still, vigilance and caution are the main steps in business involving a country. This stagnant condition was experienced by all Umrah and Hajj businesses, even most of which closed their businesses. Uncertainty about the departure of Umrah and Hajj is a major problem for them. Several companies chose to stay because of two things, firstly pilgrims who had registered and secondly to prepare for Umrah and Hajj departures to reopen at any time. What is happening now is that both entrepreneurs and pilgrims/consumers are both waiting and have a strong commitment. In maintaining the stability of the company and interaction with the congregation, it is necessary to review what kind of operating strategy is used by the company after this big pandemic or the New Normal period.

This research is to find out the operational strategy of Umrah and service bureaus in Indonesia during the New Normal period. Are cost, quality, delivery, flexibility, innovation, service, technology, and differentiation considered in implementing the operations strategy. Based on this, this study explains and describes operations management related to strategic operations through cost, quality, delivery, flexibility, innovation, service, technology, and differentiation which can be used as a basis for future research references. This research has never been done on Umrah and Hajj services, especially in Indonesia. Meanwhile, Umrah and Hajj services are international services that require approaches and strategies to be continuously developed. So far, the management of Umrah and Hajj services has tended to be conventional and hereditary because these services place more emphasis on religious

impressions which tend to make pilgrims surrender to the services provided. The results of this study can be used as benchmarks for Umrah and Hajj service companies in providing and improving services to pilgrims.

## **LITERATURE REVIEW**

### **Operational Strategy**

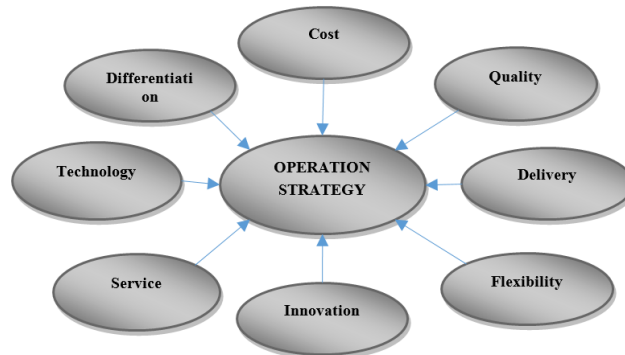
Some experts define different operating strategies, but broadly speaking the meaning is the same. The following relates the operations strategy to the company's vision and mission, the operations strategy is a tool for realizing the company's vision and mission through production operations (Haming dan Mahfud, 2011), namely the function of operating vision that determines all directions or impetus for decision making, vision must be integrated with business strategy and often, but not always, reflected in formal planning (Schroeder, 1989), is part of the operations management function that refers to the company's vision and mission hence that strategic operations must be in line with corporate strategy (Stevenson, 1999). Operations strategy refers to decisions and plans focused on the effective use of company inputs and operating capabilities to achieve competitive advantage and long-term performance (Shou et al., 2019). The importance of strategic operations begins with the role of market and economic operations and there are many cases related to strategic operations as both the key to success and the key to failure (Warszawska, 2018). The right operating strategy is very important for an organization not only to determine the extent to which its business strategy can be implemented but also as a source of competitive advantage (Wambua Boniface, 2014).

In addition, the operational strategy is defined as the capture of goals, plans, and policies for the organization in achieving success in the market. et al., 2016). However, the choice of operating strategy can differ between small and large companies, and between national and international scale companies (Yu & Ramanathan, 2011). Slack (2005) divides the operational strategy into three levels, namely compatibility between resource needs, development of irrational competitive advantage, and coverage. N. Wandiga et al (2017) operations strategy answers a very important question about how key resources should be acquired and configured to achieve the desired corporate performance objectives. Operations strategy can improve quality, and flexibility, and reduce costs (Maia et al., 2010).

Not all authors refer to the operating strategy for the same concept, some use other terms for operations strategy, namely competitive advantage or competitiveness. Its advantages are linked to its core content i.e. what it does better than other companies. Operations strategies are designed to manage operations functions based on certain priorities (Choy et al., 2016). Operations strategy is intended to analyze the changes that affect competition due to industrial and social trends (Arias Aranda, 2003). The role of operations strategy is to provide planning for the operations function so that it can make the best use of resources (Voss. C. A., 1995).

A key element in developing a successful operations strategy is providing its customers with increased costs following additional benefits with or through lower prices by providing greater benefits and services (N. Wandiga et al., 2017). How companies compete or how companies create added value for customers (Heineke, 2006). Maylor et al (2015) said that the operating strategy is a trade-off meaning that not all of them can be chosen. Based on Giovanni (2020), operating strategy, or what can be called operational performance has indications of cost, quality, delivery, and

flexibility. An operations strategy is needed in managing services (Matthias & Brown, 2016). According to Vergara et al (2016), the indicators are cost, quality, delivery, flexibility, service, and environment. Technology is a complementary indicator of operations strategy (Yu & Ramanathan, 2012). Cost, quality, time, and flexibility (Choy et al., 2016), (Magutu et al., 2010). Sansone et al (2020) stated cost, quality, time, flexibility, innovation, and sustainability. Wilson (2020) describes cost, quality, and delivery. Based on the results of the literature review and research results above, the research framework can be described in Figure 1.



**Figure 1.** Framework Research

Based on various sources that have been collected and reviewed, it can be explained that the indicators in the operations strategy are cost, quality, delivery, flexibility, innovation, service, technology, and differentiation. In other words, it can be said that the Umrah and Hajj bureau entrepreneurs in implementing the operational strategy are carried out through these indicators.

## RESEARCH METHOD

This type of research is explanatory research which aims to test the theory and whether it strengthens or rejects the hypothesis of previous research results. The research was conducted at Umrah and Hajj bureaus in the form of head offices, agents, and branches in Malang. Based on the data collected and can be contacted as many as 122 people who are also the study population. The research sample consisted of 122 people using a census sampling technique where everyone in the population was sampled (Sugiyono, 2018), but of the 122 respondents who filled out the questionnaire completely only 105 people. Thus the data were processed by 105 people using a factor analysis tool with the provisions of MSA (Measure of Sampling Adequacy)  $> 0.5$  the variables assessed could be predicted and analyzed further, then formed through eigenvalues (Rahardjo, 2019).

The definition of operational strategy operational variables is a way to achieve company goals through competitive advantage, while the indicators and sub-indicators that are broken down from the research indicators are:

- a. Cost (X1): lower price, price according to the initial agreement, guaranteed price for leaving until returning
- b. Quality (X2): superior quality, a quality that meets the expectations of the congregation, consistent quality
- c. Delivery (X3): assistance by the company, departure according to schedule,

- conformity to schedule, conformity to schedule
- d. Flexibility (X4): addition of worship schedules, the addition of worship services, ease of carrying out independent worship
  - e. Innovation (X5): expanding service lines, creating new services, creating new, different services
  - f. Services (X6): Umrah equipment, hotels, transportation, consumption
  - g. Technology (X7): online congregation registration, use of WA groups, online boarding passes, online lodging bookings, online team communication
  - h. Differentiated (X8): unique services, provide different services from competitors, have a different corporate image. The data used are primary data obtained through filling out questionnaires by respondents. The measurement uses a 5 Likert scale, namely from strongly disagree to strongly agree. The analytical tool used is exploratory factor analysis which functions to reduce data from a large number of variables/indicators to a small number. The purpose of using factor analysis is to explain the structure of the relationship between many variables in the form of factors, latent variables, and formation variables.

## RESULT AND DISCUSSION

The results of data processing using SPSS by entering as many as 27 sub-indicators. After reduction based on the MSA (Measure of Sampling Adequacy) value of more than ( $>$ ) 0.5, 8 sub-indicators must be excluded, and 19 indicators that are appropriate for factor analysis. Of the 19 sub-indicators classified into 5 factors which are formed from the results of their eigenvalues, while the naming of the 5 factors is based on the results of the largest loading factor or adjustments. The conditions are listed in the following table:

**Table 1.** Factors to be considered in implementing the operations strategy

No	Factor Name	Percentage of Diversity	Indicator	Loading Factor
1.	Technology (X7)	25.362%	X3.1 Assistance by the bureau	.629
			X3.3 Iteration Compatibility	.643
			X4.1 Added iteration	.727
			X5.1 Expansion of service lines	.547
			X7.3 Boarding passes online	.795
			X7.4 Online booking of the accommodation	.826
			X7.5 Online team communication	.866
2.	Service (X6)	11.423%	X3.2 Departure according to schedule	.533
			X5.3 Create differentiated services	.474
			X6.3 Transport	.768
			X8.1 Unique services	.679
3.	Quality (X2)	9.121%	X2.1 Superior quality	.798
			X2.2 Quality that meets the expectations of the congregation	.870
4.	Differentiated (X8)	7.432%	X4.2 Addition of worship services	.443
			X8.2 Provide different services	.785

			from competitors	
			X8.3 Has a distinct corporate image	.692
5.	Cost (X1)	6.572%	X1.2 The price is according to the initial agreement	.688
			X1.3 Guaranteed departure price until the return	.728
			X2.3 Consistent quality	.593

## EVALUATION AND SUSTAINABILITY

Based on the results of the analysis of data and tables, it can be explained as follows:

### A. Factors to be considered in selecting an operating strategy

In this study, based on the results of previous studies, it was stated that cost, quality, delivery, flexibility, service, innovation, technology, and differentiation were factors considered in determining the company's operating strategy. Still, based on the results of factor analysis, only 5 factors were selected, namely technology, service, quality, differentiation, and cost. The other 3 factors are reduced or some of the indicators are removed and the indicators that are not reduced become the new member factors that are formed.

#### 1) Technology (X7)

Technological factors which originally consisted of online congregation registration, use of WA groups, online boarding passes, online accommodation bookings, and online team communication have changed to online accommodation bookings, and online communication teams. This change is a combination of the indicators of delivery, flexibility, and innovation.

The use of technology in the business world can no longer be avoided because technology can make it easier for companies to sell their services to consumers. Technology according to Heineke (2006) the use of technology can produce and speed up the delivery of products that suit individual needs at very competitive prices. The technology used by Umrah and Hajj bureaus in facilitating their activities in serving pilgrims is to do online boarding passes at the time of departure and return of pilgrims which greatly saves time and is not in a hurry and avoids delays. Likewise, the communication of booking hotel accommodations, transportation, and consumption to providers makes it easier to find out the availability and comfort of accommodations for pilgrims. The location of the team used is very easy to coordinate using technology, especially information technology.

Assistance by companies, company assistance, itinerary adjustments, additional itinerary, service line expansion, online boarding passes, itinerary adjustments, additions to itineraries, and expansion of service lines into technology can be interpreted as a way of handling pilgrims by providing guarantees of itinerary conformity and adding itineraries at the request of pilgrims which can be used as a basis for expanding the lines of services that have been provided at this time. The findings from Nunes et al (2013) indicate that adaptation of the traditional operations strategy framework can be useful when developing and examining a sustainable strategy for operations by offering definitions for a sustainable operations strategy and sustainable technology that

are useful in the development and evaluation of a sustainable operations strategy which always includes choice and use of technology. Baines & Lightfoot (2014) state that technology in the form of ICT is very important in delivering goods/services (Wu et al., 2019). Innovation and flexibility are strong variables in strategic operations (Shen, 2016). Technology in the form of IT plays a very important role in shaping the operations strategy (Yu & Ramanathan, 2012).

2) Service (X6)

Service factors, which were initially Umrah equipment, hotels, transportation, and consumption, have changed to departures according to schedule, making different services, transportation, and unique services. Indicator change is a combination of delivery, innovation, and differentiation. In Umrah/Hajj services, each bureau must prepare and have booked accommodation, airplanes, hotels, and catering as a condition for obtaining a visa.

Booking lodging services can be made directly with suppliers or through brokers, the difference is that direct orders to suppliers can minimize costs compared to through brokers. This strategy is the mainstay of Umrah/Hajj bureaus in cutting operational costs so they will get bigger profits at the same price as competitors. Not all bureaus can place direct orders due to limited networking with suppliers.

Service is important for every agency, but many agencies provide minimal service at a low price. Several bureaus often think in the short term that the departure of the average congregation does not have an impact on loyalty. The bureau provides low prices with limited services such as flights that have to transit several times to save costs on the one hand, on the other hand, they do not pay attention to the convenience of pilgrims. Apart from that, in some cases, the service still has delays in departure, and service discrepancies as promised. Some bureaus seem to provide services at a low cost, when in fact the services are non-cash, namely, pilgrims have to pay for additional services such as adding to the cost of Umrah equipment (ihram cloth, suitcases, etc.).

The results of this study support the thoughts of practitioners who conveyed to Skinner that it seems like technology service factors are not widely discussed in the literature because technology and services are additions proposed by practitioners. However, if you look at the results of data analysis, technology, and services are highly considered by companies. Hence that technology and services are interesting findings to be included in indicators of the company's operating strategy in achieving competitive advantage. A holistic approach to service through processes, activities, and resources contributes to a better understanding of the sources of competitive advantage (Rabetino et al., 2017). Liu & Liang (2015) companies struggle to achieve and maintain a competitive advantage in today's turbulent business environment by adjusting resource allocation and ultimately optimizing resource-based strategies to develop operational competitive advantages sustainably. Cost, quality, delivery, flexibility, service, and environment are important indicators in creating operations and service strategies that are highly considered by companies (Vergara et al., 2016). Free services are a recommendation for companies (Tomaszewski et al., 2016). These results differ from the research of Samarrokhi et al (2015) which states that service differentiation does not have a strong effect



on creating a competitive advantage.

3) Quality (X2)

The quality factor which was originally superior quality, quality following the expectations of the congregation, and consistent quality have changed to provide services that are different from competitors, a quality that is by the expectations of the congregation. Service quality is the service provided by the company to customers which includes physical evidence, reliability, assurance, responsiveness, and empathy. Physical evidence is the condition of the office and customer service that serves the congregation, in general, the office looks clean with Islamic nuances with pictures of the Prophet's mosque, the Prophet's mosque, and calligraphy with the sound of reciting verses from the Koran. The atmosphere becomes solemn and solemn, prospective pilgrims can feel as if they are already there and are part of the place of worship they are going to. In addition, customer service that is polite, friendly, and neat makes prospective pilgrims feel comfortable.

Reliability is the dexterity of employees in serving prospective pilgrims, namely starting to explain the requirements that must be met, the itinerary, the implementation of the Manasikh, handling departure, in the holy land, and returning. The Bureau always prepares trained and educated employees to be able to provide the best service for Umrah/Hajj candidates and pilgrims. The guarantee is one that the bureau continues to maintain the trust of prospective candidates and pilgrims by using the congregation's database only for the benefit of the bureau and guaranteeing that visas can be issued after the requirements are completed. The database is confidential data related to the privacy of prospective pilgrims, while a visa is a requirement that pilgrims must have to be able to visit the holy land and perform the Umrah/Hajj pilgrimage. Visa delays are often caused by the bureau's disorder in preparing the congregation's administration and finances, this is anticipated to always be avoided by making schedules and SOPs.

Responsive is a form of speed and accuracy of the bureau in answering questions and helping to solve problems faced by prospective pilgrims. Many prospective pilgrims are unfamiliar with matters of religion and worship, so they often ask questions not only about Umrah and Hajj. Therefore, every employee is required to have an understanding of religion and the Umrah/Hajj pilgrimage. To increase this knowledge, several bureaus conduct regular training and education for employees. Apart from that, employees are also required to learn on their own either through guidebooks, other media, or YouTube. The Bureau tries to provide the best service for customers, namely by meeting all customer expectations and keeping the minimum service the same from time to time or it can be continuously improved. Worship services are different from other services in that worship services tend not to have many demands as long as worship can be carried out, if there is a discrepancy in service, the congregation tends to accept patience as a test/trial.

The results of this study support the research of Samarrokhi et al (2015) that quality, cost, and innovation support the realization of competitive advantage, N. Russell & H. Millar (2014) shows that cost and quality are most emphasized while innovation is less emphasized. (Sansone et al., 2020) Quality is the most important dimension of a company. (Kumar et al., 2020) Delivery and quality have a

dominant role in the operations strategy. The results of another study (Kumar et al., 2020) state that quality and flexibility play an important role in strategic operations. Slightly different from (Lidelöw & Simu, 2015) which states that the appropriate operating strategy based on the sequence is quality, capacity, technology, and facilities.

4) Differentiated (X8)

Differentiated, which was originally a unique service, providing different services from competitors, has a different corporate image, has changed to adding religious services, providing different services to competitors, and has a different corporate image. Differentiation refers to the differences between one agency and another in terms of service and corporate image. The intended additional services are additional internal services, meaning that the existing services are standard provided by all bureaus, in other words, additional services regarding Umrah/Hajj worship. Often asking for more services related to hotel rooms, Umrah frequency, tourist destinations, and accompanying worshipers. All requests that are attempted can be fulfilled both at the cost of additional pilgrims and for free, all of this is intended to give a different impression from other bureaus which may not allow all of them to be fulfilled.

In general, 99% of Umrah/Hajj services are the same between one bureau and another, this is because they have the same supplier (Land arranger) in the country (LA). Meanwhile, bureaus that also have their own LA can be more creative in offering services that can differentiate them from existing bureaus. They can offer extras such as mutawwif, tour guides, and better management of pilgrims.

Every Umrah/Hajj bureau always tries to maintain a good name and improve the bureau's image by trying to have a different image from other bureaus. The image of the bureau is built based on the type of service provided and community groups. Often choosing an agency is adjusted to the type of service provided by the congregation and the religious organization that oversees it. In dealing with this kind of thing, the agency tries to be neutral. Some congregations are fanatical about certain organizations, so the bureau will try to provide understanding. The image is also built based on honesty and maintaining the trust that has been given by the congregation, once the congregation is disappointed it will be difficult to restore the bureau's image and will cause high social costs because word-of-mouth recommendations are greater losses.

5) Cost (X1)

The cost factor, which was originally a lower price, the price according to the initial agreement, the guaranteed price for going home, changed to the price according to the initial agreement, the guaranteed price for departure and return, and consistent quality. The addition of consistent quality can be linked to costs, meaning that the quality of service that has been standardized so far can be maintained at the existing costs or find more regulatory loopholes that can save costs while maintaining the existing quality, namely consistency with service quality provided.

One of the main considerations for the average Hajj pilgrim is the low cost of Umrah, before choosing an Umrah/Hajj agent they compare prices. Many prospective pilgrims are tempted by cheap prices even though these prices are

unreasonable. This condition is unavoidable which causes companies to try to offer low prices in various ways such as setting psychological prices, cheap prices without Umrah equipment, without reliable mutawwif, without tours to find the traces of the Prophet, etc., but if pilgrims need and want it an additional fee will be charged.

Most prospective pilgrims want to be able to worship in the holy land in both Medina and Mecca, so they hope that the most important thing is that they can leave and return safely. Worship in these two places is the dream of every Muslim because Allah has promised a huge reward so that the congregation does not demand more. The important thing is they can go and come home without any problems. The company as a service provider will try to fulfill it with the promise that the price is a high price departure to return.

The results of this study support the research of Samarrokhi et al (2015) that quality, cost, and innovation support the realization of competitive advantage. N. Russell & H. Millar (2014) shows that cost and quality are most emphasized while innovation is less emphasized. Tomaszewski et al (2016) stated that fee services are a recommendation for companies. Companies that are in a high-cost environment tend to pay attention to quality, cost, time, flexibility, and innovation rather than just cost-related capabilities (Sansone et al., 2020). Of the 4 indicators, namely cost, quality, speed, and flexibility, the cost is the dominant indicator in the operations strategy (Wambua Boniface, 2014).

**B. Technology is the main factor considered in selecting an operating strategy**

Technology consisting of company assistance, itinerary cohesiveness, adding itineraries, expanding service lines, online boarding passes, online accommodation bookings, and online team communication are the factors most considered by the company. The emphasis on the use of this technology is on boarding houses, accommodation bookings, and team communication which is the core of Umrah/Hajj pilgrims services.

Availability of convenience is the main requirement in obtaining a visa to be able to go for Umrah/Hajj, by having a visa pilgrims will feel safe and comfortable. In addition, for the convenience of departure and return, it can be made easier with online boarding passes which make it easier for pilgrims not to be in a hurry and not feel tired in long queues. This is following the results of research by Amado et al (2013) that technology will drive a better operating strategy.

## **CONCLUSION**

Based on the results of the discussion, it was concluded that the operating strategy considered in its implementation was technology, service, quality, differentiation, and cost, meaning that of the 8 factors studied and considered by the company, only 5 factors were more widely applied in achieving successful business management. The results of this study are very interesting because 2 of the 5 indicators, namely technology, and service, are new findings in this business because research rarely uses them. Of the five indicators considered, technology is the main factor considered. This is to current developments where in the digital era and the industrial revolution 4.0, technology has become an inseparable part and necessity in company operations. The company's operations are made easier, cheaper, and have a very wide range by using technology, so it is very profitable for the company. The suggestions from the results of this study

are that companies must use technology, both technology that facilitates services and information technology that can be used to interact with consumers. Information technology such as the use of social media, websites, and online payments with the help of financial technology will make it easier for both companies and consumers.

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