

ABSTRACT

The railway mode (KA) is a mode of transportation that has passengers and freight transport services. The role of rail mode transportation, so needed in the distribution logistics in Indonesia. Use of freight trains, will provide better benefits to producers, consumers and others. Some examples of benefits are logistical costs that can be reduced, are more environmentally friendly, and have greater carrying capacity than trucking. Based on data from the Indonesia Infrastructure Initiative, currently almost 90 percent of businessmen still use trucks to transport the freight, while the users of transport services of freight train passing by just 1 percent. The purpose of this research is to know the employee perception of freight railway economic competitiveness in Operating Area III PT Kereta Api Indonesia (Persero) from the preference between railways and road transport, environmental impacts, infrastructure improvements, and transportation development. The research method uses a combination of descriptive quantitative and qualitative methods by distributing questionnaires and interviews. There are 53 samples consisting of employees of the railway Transportation Service Company and using descriptive statistical data analysis techniques and qualitative researchers collecting data by interviewing, observing, and documenting. From this research the results obtained where the perception of freight railway employees can be a substitution of road or truck transportation, but according to the perception of railway consumers can not be a substitution of transportation from trucks for transportation of goods, so the recommended strategy recommendations for integrating trains with trucks , as well as maximizing all-in services, making it easier for consumers to deliver goods and ensure punctuality.

Keyword: Economic competitiveness, environmental impact, freight transport industry, freight railway, infrastructure improvements, transportation development, transportation preferences.