ABSTRACT

A Study on Technology and Business Strategy to Develop Competitiveness in Outdoor Advertising Business
A case at PT. Cahaya Lintasmedia - Jakarta

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The objectives of the study were (1) to identify internal and external success factors in outdoor advertising business, (2) to identify technology transformation and capability, and (3) to formulate a technology and business strategy alternative in order to develop competitiveness in outdoor advertising business. The internal success factors in outdoor advertising business were technology exploitation, product quality, product competitiveness, productivity, human resource, and branch development. The external success factors in outdoor advertising business were region development, technology changes, economic growth, raw materials price, currency fluctuation, and economic crisis. The company status in IE Matrix was Hold and Maintain. The SWOT Matrix identified about nine business strategy alternatives and then, by using Quantitative Strategic Planning Matrix determined that product development by adaptation or buying new technology as the best and the most attractive strategy. Technology management analysis for technology transformation showed that there was no difference between observation and expectation for technology component (technoware) of billboard and neon box production, human resource component (humanware), and information component (inforware). However, organization component (orgaware) was different at the observation to the expectation. Technology management analysis for technology capability was equal to the competitors in outdoor advertising industry in Indonesia. Independence test for technology transformation and capability indicator showed that the indicators were independent and did not interrelated to each other. The business strategy formulated were product development by adaptation or buying new technology that classified as nice leadership strategy and supported by technology follower strategy as technology strategy. Combination of both strategies placed the company at high value market in technology and business strategy integration matrix. In order to implement the strategies, PT. Cahaya Lintasmedia should (1) allocate technology investment budget, (2) prepare the skills and competencies of the staff for operating the new technology, (3) recruit an expert or supervisor to make sure that new technology work properly, (4) organize research and development activities, and (5) repair or improve company website as communication media by adding new features, market education, company profile, product illustration and price list.