SUMMARY

MARTIANA KARTIKA DEWI. Development Strategy of PT XYZ in the Inflight Catering Industry. Supervised by BONAR SINAGA and SETIADI DJOHAR.

Airline service becomes one of the attractions of passengers in determining the selection of airlines. PT XYZ is a subsidiary of the state-owned airline PT Garuda Indonesia (Persero) Tbk that engaged in the inflight catering business. Financial performance in 2012 to 2016 showed that revenue has increased by 48.64%, while gross profit and net profit tends to decrease starting from 2014. Profit decrease in 2016 significant enough to reach 29.90% for gross profit and 65.14% for net profit compared to the previous year.

The Competition with major competitor in the inflight catering industry has increased in the last 5 years. It was marked by airlines customers who began to take into account of PT XYZ’s competitor and some of PT XYZ’s customers shifted to the competitor company from period of 2015 to 2016, they are Qatar Airways (QR) in January 2015, All Nippon Airways (NH) in June 2015 and China Shoutern Airlines (CZ) in January 2016. Qatar Airways and All Nippon Airways are two airlines which is in the five customer airlines with the largest revenue of PT XYZ.

The objectives of this research were analyzing the advantages of PT XYZ Unit Jakarta (CGK) for company development and formulating the right business development strategy for PT XYZ Unit Jakarta (CGK). The research used observational case study with IFE and EFE analysis as input stage before IE Matrix to obtain alternative strategies, and the selection of strategy priorities by using Quantitative Strategic Planning Matrix (QSPM).

The results showed that PT XYZ is able to provide good response to company’s external and internal factors. An alternative strategy result at the matching stage was the intensive strategy of market penetration, market development, and product development or integration strategy that is backward integration, forward integration and horizontal integration. The result of QSPM matrix showed that priority strategy to PT XYZ is developing one-stop service packages that matched to company’s condition and being developed to be one of business development strategy. PT XYZ long term strategy was developing markets for the non-aviation sector as the inflights catering market was captive and requires a long period to develop.

Keywords: EFE, IE Matrix, IFE, inflight catering, QSPM, strategic planning,