

PROPOSED STRATEGY FOR AURORA COMMERCE RETAIL TO SUSTAIN AND GROW ON THE ONLINE MARKETPLACE PLATFORM

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Abstract

Online commerce is an activity of online buying and selling physical goods. Report by Momentum Works showed that the gross merchandise value (GMV) from major online marketplace platforms in Indonesia had reached \$40 billion in 2020, which is 20% of total retail in the country. As of 2020, the two biggest platforms of online marketplace platforms in Indonesia are Tokopedia and Shopee, with both possess over 70% of the online commerce market share. Aurora Commerce Retail (ACR) is one amongst many stores that sells products on the online marketplace platforms. It specialized in retailing two main product categories of health supplements and kitchen electronics. Online retail business like what ACR does, is a very fragmented industry that consist of vast number of stores from small to medium size and generally with no single store or seller dominates the market. The online retail business has its own challenges from competing against other stores that sell similar or identical products tp an ever increasing platform cost. This study aims to develop corporate and business strategy for ACR in accordance to its current condition. The research collected the necessary data to conducts analysis on ACR's target consumers, external and internal environments. From the analysis, a SWOT matrix is developed and a suitable corporate and business strategy for ACR are constructed. Based on the research, ACR current condition is dominated by its strength and threat, putting it in the diversification quadrant. Therefore, the best directional strategy for ACR is to pursue diversification. To pursue a diversification strategy, ACR with its background in software engineering could expand into a software development company that specialize in building ecommerce operation supporting tools and software. Meanwhile, to maintain its current retail business, the proposed business strategy for ACR's health supplements and kitchen electronics retailing business is to be narrow-target with cost-leadership that emphasizes ACR to focus on few select brands with competitive prices.

INTRODUCTION

Online commerce is an activity of online buying and selling physical goods. Based on a 2018 report by McKinsey, Indonesia's online commerce market size was estimated to be around \$8 billion-a-year. It was also predicted that the market would grow eightfold to \$55 to \$65 billion by 2022. The number of shoppers was estimated to

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be 30 million in 2017, and it was predicted to be doubled by 2022. Latest report by Momentum Works shown in Figure 1, illustrates that gross merchandise value (GMV) from major online marketplace platforms in Indonesia had reached \$40 billion in 2020. This number was 20% of total retail in the country in 2020, marking a historical high in online commerce transactions in the country.

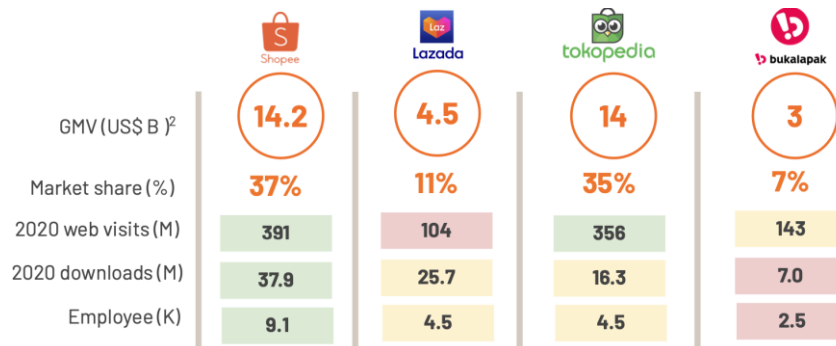


Figure 1. Comparison of GMV amongst online marketplace platforms in Indonesia in 2020

As of 2020, the same report showed that the two biggest platforms of online commerce in Indonesia are Tokopedia and Shopee, with each platform booked around \$14 billion of GMV in the year. Combined, both platforms possess slightly over 70% of the online commerce market share in the country. Trailing behind is Lazada and Bukalapak that are considered to be a second tier online marketplace platform. The huge potential and market size on the online commerce industry has appealed to many businesses, from large companies to MSMEs (micro, small, and medium enterprises).

According to a McKinsey report in 2017, there were 4.7 million active online sellers in Indonesia. Of these, 99% of them are microenterprises, while 50 percent are online-only businesses with no physical store presence. It was also noted that 85 percent of the sellers are resellers or distributors and only 15 percent of the merchants were selling its own products.

Aurora Commerce Retail (ACR) is one amongst the many stores that sells products on the online marketplace platforms. It is a relatively new MSME in Indonesia

that has been conducting its business by operating exclusively in a single online marketplace platform, Tokopedia. The company doesn't manufacture its own product, instead, it resells products made by others, especially products in two categories of health supplements and kitchen electronics.

RESEARCH METHODS

This research was conducted using qualitative research methodology, supported with descriptive study. Qualitative research is research that focuses on a detailed understanding of the underlying issues and context that are not easily measured (Creswell, 2013). Descriptive study refers to a study that relies on observing and describing the phenomenon, facts, characteristics, and behaviors found in the field (Shields, 2013). Using qualitative-descriptive research, this research expected to find the most suitable strategy for the company based on the phenomenon and facts observed in the field. In addition to that, qualitative research is also considered the suitable approach to study a complex and social issue, like customers, competitors, and market phenomenon

The data analysis method employed was using deductive analysis. Deductive analysis is an analysis that begins with theory or framework. The problem was analysed and guided by the chosen theory or framework. This research also collected data needed to evaluate and identify pattern, behavior, and phenomenon. Afterward, a business solution was analysed and developed that is deemed best suited to the company's internal and external condition

RESULTS AND DISCUSSION

Based on external analysis, internal analysis, competitors analysis conducted in the previous step, list of SWOT for ACR is concluded in table 1.

Table 1. SWOT analysis of ACR

STRENGTH	WEAKNESS
1. Have wholesale partnership with three health supplement suppliers with access to special price	1. ACR's reputation on the platform is still much less compared to competitors
2. Have three logistic partners from USA and Hong Kong with competitive shipping cost	2. Many operational tasks are still carried out manually (e.g. stock-level monitoring, that could cause long out-of-stock periods)
3. Strong pricing strategy against the competitors supported with the monitoring dashboard to monitor competitors' price and sales	3. Limited human resource and access to capital
4. Minimal organizational footprint and staff	4. ACR is still a relatively small company that it has limited bargaining power to gain partnership with suppliers
5. Have human resource expertise in software engineer	
6. Store is strategically located in	

<p>Jakarta</p> <ol style="list-style-type: none"> 7. Have access to internationally-accepted financial instruments to conduct transactions with international suppliers 8. Have access to platform that provide very competitive currency exchange rate 9. Have established considerable positive reputation from customers in Tokopedia 10. Have diversified product portfolio in two categories (health supplement and kitchen electronics retail) that are quite balanced 11. Have an established business process to manage end-to-end business process (purchasing, logistic, sale) 12. Growing portfolio and sales from month-to-month. (more than 100% revenue growth in 2022) 	
<p>OPPORTUNITY</p> <ol style="list-style-type: none"> 1. Shopee is an emerging marketplace in Indonesia and gaining significant traffic, competing with Tokopedia. 2. ACR's product portfolio for the health supplement category is still much less compared to the other seven competitors 3. Many health supplement vendors offer wholesale partnership on inquiry basis 4. There are other kitchen electronics brands than the one that ACR already sells 5. There are various other product categories like electronic devices, gadgets, or fast moving consumer goods (e.g. imported snacks) 	<p>THREAT</p> <ol style="list-style-type: none"> 1. Heavy reliance to single marketplace platform (Tokopedia) 2. Uncompetitive product price for some products because ACR has no access to the wholesale price 3. Lack of non-price competitive advantage. Competing solely on price is prone to price war. 4. Non-exclusive seller. Retail industry is naturally fragmented that identical products are also sold by many other stores. 5. Increasing marketplace platform cost (ads and sales fee) 6. Unreliable supply chain for some suppliers because ACR has no official partnership in-place. 7. Fluctuating procurement price for some products because there is no partnership in-place that guarantee the product's price. 8. Unexclusive access to suppliers' wholesale price because ACR's competitors could also be granted access to the wholesale program by suppliers.

	<p>9. Not all suppliers are open for wholesale partnership program.</p> <p>10. Low entry barriers for new players to enter the industry.</p> <p>11. High threat of substitutes for supplement retail business given that the vast amount of brands available.</p>
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Based on the SWOT analysis in table 1, a TOWS matrix for ACR is developed as shown in table 2.

Table 2. TOWS matrix of ACR

SO Strategy	ST Strategy
<ol style="list-style-type: none"> 1. With its wide financial access, ACR has the ability to transact with vendors worldwide. ACR could leverage that and the existing brands partnership as bargaining power to expand and inquire to other health supplement brands to join their wholesale programs. (S1, O2) 2. ACR could expand its business process beyond Tokopedia and to other platform like Shopee to widen its market coverage (S9, S11, O1) 3. With its logistic capability in USA and Hong Kong, ACR could find other popular kitchen electronics brands to be included in its product portfolio (S2, S7, O3) 4. Similarly, ACR could also assess a feasibility to diversify its product portfolio to other categories like electronics/gadgets and FMCG (S2, S7, O4) 	<ol style="list-style-type: none"> 1. Create a dedicated shopping app/website for ACR to reduce reliance on the marketplace platforms (S5, T1, T5) 2. Leverage on the growing sales as a bargaining power to inquire of wholesale partnership with suppliers (S1, S12, T2, T3, T4) 3. Seek opportunity to become an exclusive distributor for one or more health supplements and kitchen electronics brands in Indonesia (S2, S7, T6, T7, T8, T9, T10) 4. Optimize competitors' price monitoring to be able to detect price change and adjust product price in a timely manner (S5, T2, T3).
WO Strategy	WT Strategy
<ol style="list-style-type: none"> 1. Grow and diversify ACR's portfolio and expand to Shopee to gain more exposure and reputation from the market (W1, O1) 2. ACR could diversify to categories that has faster turnaround and low capital such as food and snack category (W3, O4) 3. Maintain good relationship with the health supplement vendors to gain trust 	<ol style="list-style-type: none"> 1. Expand to other platforms outside Tokopedia to reduce reliance on single Tokopedia platform (W1, T1) 2. Anticipate overstocking on certain products to avoid capital and cashflow problem (W3, T3, T6)

<p>and access to their wholesale program (W4, O2)</p>	
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Business Solution

In this section, the corporate and business strategy for ACR are elaborated.

Corporate Strategy

Based on the SWOT analysis, ACR’s strength and threat are the dominant aspects. Thus, according to the theory of directional strategy (Wandebori, 2019), the ideal direction that ACR should pursue is **diversification strategy**. While ACR have numerous strength, the retail business especially the health supplements and kitchen electronics, it is not a sustainable business for ACR. From the analysis shown that it is very hard for ACR to overcome and consolidate the industry with its current resources and capabilities. Further, the threat aspect is quite dominant for the current ACR’s retail business, which makes it very reasonable for ACR to diversify its business, preferably to a totally unrelated business outside of the retail industry. This begs a question of what industry that ACR should explore to diversify its business.

From the analysis, diversifying into a **software industry** that specialize in ecommerce operation is a suitable business for ACR. Based on the resource analysis, value-chain analysis, and also author’s observation, it was noticed that ACR has a strong resources and background in the software engineer field. In addition to that, it was noticed that a lot of ACR’s current business activities have potential to be optimized and made more efficient through the development of software, especially for its operational tasks. Some example of these activities are real-time inventory monitoring, product cost tracking and book-keeping, shipment and logistic tracking, competitor price and sales monitoring.

The path to diversify into this new industry might be challenging for ACR. Based on the SWOT analysis, there are some steps can be conducted for ACR to pursue a

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diversification into the software industry that specialize in ecommerce operation:

1. Grow and bootstrap software development operation

While maintaining ACR's current business in the retail sector, ACR could allocate some budget from the earning to bootstrap its software development operation by laying out the process and hiring extra manpower with software engineering background. . The bootstrapping should be carried out accordingly and inline to the company's financial situation because it will be funded from ACR's income from its retail business.

2. Develop software to optimized current ACR's business and operation

Many of current ACR's day-to-day task can be simplified and automated using a software. Some operational tasks that are potential to be automated using software are book-keeping and stock-keeping. These tasks consume significant amount of manpower and also could cause out-of-stock period for some products that ACR sell. While operational efficiency might not be a sustainable source of competitive advantage, this at least will provide some advantages over the competitors for some time to reduce cost and increase operational scalability.

3. Utilize the resources and competencies in software to provide a consulting service

Once the software development operation is bootstrapped and in-place for ACR, it could utilize the resources and competencies to start small and provide a consulting service by looking out for a software development project from external client.

4. Commercialize the in-house software

From the development of in-house tools and software for ACR, ACR could explore an opportunity to commercialize its tools and software for public consumers, especially other online stores that might have the same operational needs and requirement like ACR.

5. Utilize the resources and competencies in software to spawn a B2C product

On top of B2B software, ACR could allocate its spare time and resources in the software development to explore and conduct research of creating a software that cater B2C customers.

As for ACR's current business in retail, it should maintain stability to ensure it has an at least consistent profit and neutralize any potential threat measures using the ST and WT strategy from the SWOT matrix.

Business Strategy

Below the business strategy for ACR current business are elaborated for each of product category of health supplements retail and kitchen electronics retail business.

Health Supplements

Based on the previous analysis conducted, the perceived best strategy for ACR's health supplements retail business is to be **narrow-target with cost-leadership**. By narrow means that ACR should focus on few select brands of health supplements and strive to become the exclusive distributor partner for those brands in Indonesia. By becoming an exclusive distributor, it brings out ACR from a perfectly competitive market into an at least monopolistic competition (Keat, 2018). It avoids ACR from having to directly compete on price with the competitors and provide some degree of product differentiation to an extent. At the same time, being an exclusive distributor will also provide an access for ACR to gain a lower price from the suppliers, hence enabling it to offer a competitive price on the product against the competing brands.

However, it might not be trivial to become an exclusive distributor for the brands in a country. Based on the SWOT analysis, there are some approach that could be carried out to pursue the narrow-target with cost-leadership strategy:

1. Register and establish a legal entity for ACR

Currently ACR has no legal entity and still considered as a small enterprise. Brands or suppliers tend to prefer business that has clear legal standing to partner with. Obtaining the necessary paperwork, permit, or license will increase ACR's credential and chance to gain trust from the suppliers.

2. Identify, assess, and choose few brands to focus on

Currently ACR has so many product in its health supplements product portfolio. This is contradictory to the proposed strategy of being narrow-target. Therefore, ACR should assess amongst its product portfolio which few products are the most potential or most popular to be focused on.

3. Build and maintain relationship with the suppliers

Having chosen brands to be focused on, ACR could start build and maintain relationship with those brands and suppliers by identifying point of contact, sharing ACR background, etc.

4. Inquire and apply for distributor to the suppliers

Once ACR has a relationship with the suppliers, ACR could inquire and apply to become an exclusive distributor from the suppliers and fulfil the requirements.

Kitchen Electronics

Based on the previous analysis conducted, the perceived best strategy for ACR's health supplements retail business is **narrow-target with cost-leadership**. The narrow-target suits the kitchen electronics retailing business for ACR because there's currently only handful of brands available for the sous-vide devices. In addition to that, as can be seen from the consumer survey and customer segmentation, the vast majority of the consumer are commercial or corporate consumers that use the products for their business or commercial purpose especially in business like restaurant or café. Therefore, ACR could focus its effort in targeting corporate/business consumers and also focus its product portfolio on recognized and leading brand like Innovac, which ACR currently sells.

However, given that the nature of a retailing business, the cost-leadership is necessary to compete with other stores that also sell Innovac products.

Based on the SWOT analysis, there are some formula can be carried out to pursue growth using the narrow-target cost-leadership strategy for ACR's kitchen electronics retailing business:

1. Explore possibility to become Innovac strategic partners in the country

With its track record of selling hundreds of Innovac product in the country, ACR could make an inquiry to Innovac for an opportunity to become Innovac strategic partners in the country. The partnership can be in several forms, such as wholesale partnerships with access to special price, an official authorized distribution partnership, etc. If ACR could enter such partnership, it will put huge advantage to ACR over its competitors.

2. Establish relationship with restaurants, café, and hotel network

As the majority of ACR's kitchen electronics customers were coming from companies like restaurants or cafes, it would be beneficial if ACR could develop relationship with these entities. The relationship with these entities could provide ACR store more exposure much needed to grow ACR's sales and store recognition amongst the corporate consumers.

3. Explore opportunity to sell other kitchen electronic devices and brands

ACR's could explore on adding more specialized kitchen electronics products and brands to its portfolio, especially business-grade products. This could establish ACR to become a high-quality niche supplier of kitchen electronics equipment that targets business or companies in the food industry.

4. Establish requirement and process to conduct B2B transactions

Given that the vast majority of its consumers are corporate customers, ACR are incentivized to prepare itself to enter B2B transactions. Business-to-business transactions tend to have more requirements such that the purchasing entities usually require tax receipt, purchase order, or perhaps offering/tendering documents.

Proposed STP

Health Supplements

Segmentation

Referring to past ACR transaction data, customers for the health supplement retail business can be segmented based on geography, demography, behavior, and psychographic as shown in table 3.

Table 3. Customer Segment of the Health Supplement Retail Business

Segmentation	Type of Segmentation	Description
Geographics	Island	Java, Bali, outside Java
Demographics	Gender	Men & women
	Ages	Under and over 24 years old
	Nationality	Local and foreigner (tourist & expats)
Behavioral	Purchasing purpose	Individuals and resellers
	Shopping platform	Tokopedia, Shopee, physical store, other online marketplace platforms
	Customer loyalty	First-time and repeat buyers
Psychographic	Lifestyle	High and low health consciousness

For geographical segmentation, customers can be grouped into Java, Bali, or

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outside Java island. For demographic segmentation, customers can be segmented based on the gender, ages, and nationality. ACR's customers can be grouped into two age groups: under and over 24 years old. In the past, it was also noticed that there were numerous customers who were foreigners, especially those from Bali. For the same reason, ACR has quite a significant customer base in Bali. Therefore the customers can be segmented based on nationality.

From the behavioral perspective, ACR customers can be segmented based on the purpose-of-purchase, the preferred shopping platform, and the customer loyalty. Referring to the customer analysis conducted on ACR customers, all of them responded that the purchase was for personal consumption purpose. However, the owner was aware that there were few customers that repeatedly purchased in significant quantities, though, the said customers never participated in the customers survey conducted. Subsequently, customers also can be grouped into their preferred shopping platform, whether it is Tokopedia, Shopee, or physical store. In addition, from the past customer data, it was also noticed that there were repeat buyers, hence, the customers can also be grouped based on their loyalty. Lastly, from a psychographic perspective, health supplement customers can be segmented based on their lifestyle, whether the customers have a high or low health consciousness.

Targeting

From the segmentations above, the author concluded the most suitable customer segment to be targeted by ACR is shown in table 4.

Table 4. Targeted Customer Segment for ACR's Health Supplement Retail Business

Segmentation	Type of Segmentation	Chosen Target Customer
Geographics	Island	Java and Bali
Demographics	Gender	Men and women
	Ages	Over 24 years old
	Nationality	Local and foreigner
Behavioral	Purchasing purpose	Individuals
	Shopping platform	Tokopedia and Shopee

	Customer loyalty	First-time and repeat buyers
Psychographic	Lifestyle	High health consciousness

Java and Bali make up the pareto portion of the company customers, around 86%. If it should be narrowed further, Jabodetabek, Bali, and East Java should be chosen as the main target geography because it makes up 76% of the customers. For demographics segmentation, the targeted gender will be both men and women. According to ACR's past transaction data, men customers made up two-third of the health supplements customers. However, the women customers should not be ignored because it still contributes a reasonable one-third of ACR's health supplements customers.

As for the targeted customer's age, it is people who are over 24 years old. The composition of customers with age over 24 years were 82%. For the targeted customers' nationality, local people will be the main target. However, the foreigner will still be in the ACR's crosshair because it made up a significant number of customers that are located in Bali. For behavioral segmentation, the target buyer will be individual instead of resellers because it made up over 90% of the existing ACR customers. It seems that if the ACR has good exposure, there will be no resellers needed. This is especially true because the online marketplace platform has increasing penetration from day to day. As for the targeted platform for ACR, it would be the major online marketplace platforms in Indonesia, which is dominated by Tokopedia and Shopee. The remaining marketplace platforms are not chosen because they have a very minimal number of users compared to both Tokopedia and Shopee. Physical store is also not chosen because arguably it will put high operational cost on ACR's financials with very minimal foreseeable benefit in this digital marketplace era.

For the customers loyalty segmentation, first-time and repeat buyers are the target customers. While the first-time buyers made up three-quarters of the company's past customers, the repeat buyers are equally important because they have much less acquisition cost and provide a stability for ACR's revenue. Lastly, for psychographic segmentation, people with high awareness of healthy lifestyle will be targeted because they are arguably the ones who potentially consumed the health supplement products. This customer segments commonly found in big cities which resonates well with the ACR's targeted geographic described above.

Positioning

As previously outlined, the positioning strategy for ACR's health supplement business will be **narrow-target with cost-leadership**. The positioning statement that match the said strategy for ACR's health supplement retailing business can be narrated as "A health supplements online store of few select brands with competitive price". The positioning is as follow:

- a. **Target market:** a health conscious men and women over 24 years old who resides in Indonesia especially Java and Bali with local or foreigner nationality.
- b. **Brand:** few select brands of international health supplement brands
- c. **Point of different:** exclusive brands and competitive price
- d. **Competitive edge:** exclusive distributor, access to special price from suppliers, proprietary brands.

Kitchen Electronics

Segmentation

Referring to past ACR transaction data and also based on previous consumer analysis, the kitchen electronics retail business can be segmented based on geography, demography, behavior, and firmographic as shown in table 5.

Table 5. Customer Segment of the Kitchen Electronics Retail Business

Segmentation	Type of Segmentation	Description
Geographics	Island	Java, Bali, outside Java
Demographics	Gender	Men and women
	Ages	Under and over 24 years old
	Nationality	Local and foreigner (tourist & expats)
Behavioral	Purchasing purpose	Individuals, commercial businesses (cafe, restaurant, etc), reselling
	Shopping platform	Tokopedia, Shopee, physical store, other online marketplace platforms
Firmographics	Company size	<ul style="list-style-type: none"> • 0 to 5 employees • 5 to 10 employees

		<ul style="list-style-type: none"> • More than 10 employees
	Job position	Purchasing, owner, others
	Company type	Restaurant/café, hotel, convention hall, cooking school, beverage manufacturer

From the geographical and demographical perspective, the customer segmentation is similar with the health supplement customers as described in table 5. As for the behavioral segmentation, there are customers who bought the product for three different kinds of purposes: for personal use, for commercial business usage such as cafes, restaurants, etc, and for reselling. Subsequently, similar to the health supplement customers, kitchen electronics customers also can be grouped based on their preferred shopping platform, whether it is Tokopedia, Shopee, or physical store. Lastly, for the corporate customers – customers who bought the product for their company – it can be segmented based on the firmographics, the criteria of the firms. The customers can be grouped based on the company size, company type, and the job position of the purchaser in the company.

Targeting

From the segmentations above, the author concluded the most suitable customer segment to be targeted by ACR is shown in table 6.

Table 6. Targeted Customer Segment for ACR’s Kitchen Electronics Retail Business

Segmentation	Type of Segmentation	Chosen Target Customer
Geographics	Island	Java and Bali
Demographics	Gender	Irrelevant
	Ages	Irrelevant
	Nationality	Local
Behavioral	Purchasing purpose	Commercial businesses
	Shopping platform	Tokopedia and Shopee
Firmographics	Company size	Medium to large size (more than 5 employees)

	Job position	Purchasing and owner
	Company type	Restaurant and café

Based on past ACR transactions, the majority of the customers were corporate customers (75%). The majority of the consumers are residing in Java and Bali. These customers usually hold a job position as purchasing or the owner that represents their company which runs in the restaurant, cafe, or hotel industry. There were few customers that purchased for individual and reseller use, however the number is so low (16.7%) that it is relatively insignificant so that it can be deprioritized.

Based on surveys to the ACR's customers, the company that purchased the product usually has employees of more than five people, indicating it is usually a medium to large-sized company. In order to pursue more sales growth, Shopee as the marketplace platform will be targeted as well, in addition to the existing Tokopedia platform that ACR already operates in because it is the second most popular online marketplace platform in the country.

Positioning

As previously outlined, the strategy for ACR's kitchen electronics retailing business is **narrow-target with cost-leadership**. The positioning statement that match the said strategy for ACR kitchen electronics retailing business is "A store of high-quality and commercial-grade kitchen electronics with very competitive price". The positioning is as follow:

- a. **Target market:** a commercial-business like restaurant, café, hotel, etc.
- b. **Brand:** high-quality commercial-grade kitchen electronics provider
- c. **Point of different:** focused brands with competitive prices
- d. **Competitive edge:** supplier partnership with Innovac brand, competitive shipping and importation partner, effective and efficient operation and competitors monitoring leveraging technology.

CONCLUSIONS AND SUGGESTIONS

In overall, the external and internal conditions of ACR show that the strength and threat dominates the company's SWOT. Therefore, the suitable direction for ACR's corporate strategy currently is to pursue diversification. To pursue a diversification strategy, ACR with its current background in software engineering could expand into a

software development company that specialize in building ecommerce operation supporting tools and software. The developed tools and software could strengthen ACR's current retail business on the online marketplace platform, while at the same time can be pivoted and commercialize into a B2B product later on.

The retail business especially the health supplements and kitchen electronics, is not a sustainable business for ACR because of the fragmentation that creates a perfectly competitive market. From the analysis shown that it is very hard for ACR to overcome and consolidate the fragmentation in the retail industry for both product categories with its current resources and capabilities. However, ACR still need to maintain its current business as it is the main source of its profit.

The proposed business strategy for ACR's health supplements and kitchen electronics retailing business is to be narrow-target with cost-leadership. The strategy emphasizes ACR to focus on few select brands with competitive prices, which could be achieved by becoming an exclusive distributor/partner of the brands in the country. The exclusivity ensures that ACR's business is no longer in a perfectly competitive market, but moved into a market with monopolistic competition.

The following recommendations are suggested for further research so that analyse a strategy or approach for ACR to bootstrap its software engineering business for developing ecommerce operation software. Analyse a business strategy for ACR to commercialize the software it has developed

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