DESIGNING A GO-TO-MARKET STRATEGY IN ENTERING THE ELECTRIC VEHICLE REPAIR MARKET IN INDONESIA TO INCREASE NEW CUSTOMER ACQUISITION

(CASE STUDY : PT. APMS)

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ABSTRACT

This study aims to develop a go-to-market strategy for PT. APMS in entering the electric vehicle body repair service market in Indonesia. This study uses a qualitative method with primary data collection through semi-structured interviews with key stakeholders such as company management, suppliers and customers, as well as secondary data such as academic literature and industry reports. External analysis is carried out using the PESTEL and Porter's five forces frameworks, then internal analysis is carried out using the Value chain and VRIO frameworks. The (STP) segmentation, targeting and positioning approach, value proposition canvas and 7Ps' marketing mix are used to design an effective go-to-market strategy. The results of the study indicate that the electric vehicle market in Indonesia is expected to continue to grow, thus becoming an opportunity for PT. APMS to develop, PT. APMS has competitive advantages such as a strong reputation and network of relationships. The proposed go-to-market strategy includes selecting the right market, understanding customer needs, developing appropriate products, selecting effective channels and an integrated multi-channel marketing system.

Keywords : Go-to-Market Strategy; Electric Vehicle; Body Repair & Paint

ABSTRAK

Penelitian ini bertujuan untuk mengembangkan strategy go-to-market bagi PT. APMS dalam memasuki pasar layanan perbaikan body kendaraan listrik di Indonesia. Penelitian ini menggunakan metode kualitatif dengan pengumpulan data primer melalui wawancara semi structrure terhadap pemangku kepentingan utama seperti manajemen perusahaan, pemasok dan pelanggan, serta data sekunder seperti literatur akademik dan laporan industry. Analisis external dilakukan menggunakan kerangka PESTEL dan Porter's five forces, kemudian analisis internal dilakukan menggunakan kerangka Value chain dan VRIO. Pendekatan (STP) segementasi, targeting dan positioning, value proposition canvas dan 7Ps' marketing mix digunakan untuk merancang strategy go-to-market yang efektif. Hasil penelitian menunjukan bahwa pasar electric vehicle di Indonesia diperkirakan akan terus tumbuh sehingga menjadi peluang bagi PT. APMS untuk berkembang, PT. APMS memiliki keunggulan kompetitive seperti reputasi dan jaringan relasi yang kuat. Strategy go-to-market yang diusulkan meliputi pemilihan pasar yang tepat, pemahaman kebutuhan pelanggan, pengembangan produk yang sesuai, pemilihan kanal yang efektif dan sistem pemasaran muli-kanal yang terintegrasi.

Kata Kunci : Strategy Go-To-Market; Kendaraan Listrik; Body Repair & Paint

INTRODUCTION

The Electric Vehicle Market in Indonesia is experiencing rapid growth, creating new opportunities in the automotive industry, including in the vehicle repair and maintenance services sector. With increasing concern for the environment and government support through various incentives, the electric vehicle market is predicted to grow significantly in the next few years. PT. APMS as a company engaged in the automotive sector, especially an official body repair & paint vendor for authorized dealership needs to respond to this opportunity by designing a go-to-market strategy to enter the electric vehicle market which is still relatively new and competitive. This study aims to develop a go-to-market strategy by analyzing market characteristics, competitive conditions, and internal capabilities of PT. APMS to develop its business in the electric vehicle industry in Indonesia.

This study contributes theoretically through the integration of marketing strategy analysis that combines the PESTEL framework, Porter's five forces, VRIO and value chain analysis combined with the STP concept, 7Ps marketing mix and value proposition canvas to build an effective go-to-market strategy model. Practically, the results of this study provide recommendations that can be applied to the management of PT. APMS in the form of company guidelines in facing changing market dynamics and increasing the company's competitiveness.

LITERATURE REVIEW

In the literature review, the author uses a theoretical basis that is built by combining theories that are relevant and significant to the problems identified.

This study analyzes the macro business environment using PESTEL framework. According to Pyrgou et al. (2024), the PESTEL framework is used by businesses and organisations to provide a broader perspective on the business environment and its sustainability by evaluating conditions as potential threats and opportunities. PESTEL stand for Political, Economic, Social, Technological, Environmental, Legal. PESTEL analysis is a framework to help organizations detect and monitor those weak signals in the hope of recognizing and responding to changes taking place in the macro environment (Henry, 2018). This framework serves as a strategic tool for analysing external impacts on an organization. Porter's Five Forces will be used to examine the business microenvironment, Porter's 1979 paper for the Harvard Business Review introduced the Five Forces analysis, which is now one of the most widely utilised analytical methods among strategy scholars, practitioners, and students (Pangarkar & Prabhudesai, 2024). This model helps the company to understand competitive dynamics and market pressures that affect the operations and strategy of an organisation (Setyoko & Nurcahyo, 2023). According to Porter's Five Forces competition model, customers will be influenced by supplier bargaining power, buyer bargaining power, potential competitor entry, substitution ability, and current industry competition (Wang, 2024).

Value chain analysis and VRIO are employee to understand internal company capabilities. Value chain analysis can be a beneficial technique for a company looking to gain a competitive advantage (Ensign, 2001). A value chain helps company conceptualise the several actions needed to provide a good or service to a customer. According to Porter (2001) Value chain analysis divided into two types namely primary activities and support activities, primary activities are the activities in the physical creation of the product/service and its sale and transfer to the buyer (inbound logistic, operation, outbound logistic, sales & marketing, and service) while support activities are the support for primary activities and each other providing purchasing inputs, technology development, human resources, and firm infrastructure. Then, VRIO is a framework that evaluates company resources. According to Ariyani, Daryanto, and Sahara (2018) VRIO Framework consists of four attributes namely: valuable, rare, inimitable, organization, this framework was created by Barney (1995) as explained in the research of Ariyani, Daryanto, and Sahara (2018) as a development of the resource-based view theory. Vrio has been advocated as a framework for understanding which resources are valuable to a firm and what makes them so, how vulnerable they are to imitation, and how the firm can exploit and manage them sustainably (Barney and Hesterly, 2006 as cited in Knott, 2015).

This study evaluate company segmenting, targeting, positioning to help to define the target market of the business, three basic components—market segmentation, target market, and market positioning—form the STP analysis approach. First the market has to be divided, then the product will be targeted, and last the market will be positioned (Wang, 2024). Kotler and Armstrong (2018) explain that A customer value-driven marketing plan starts with choosing which clients to target and then deciding on a value proposition fit for those intended clients. Three elements form this approach is market segmentation, market targeting, and positioning. Then analysing the value proposition will help company identify what a consumer wants. A value proposition is a strategic tool used by companies to communicate to customers about how the company offers value to their customers (Osterwalder et al., 2014), Value proposition includes two main factors, namely customer profile and value map. Marketing mix can help companies formulate marketing strategies to deliver value to customers The marketing mix is a conceptual framework that helps managers to recognise the main decisions they make about configuring their products to fit consumer wants, this framework can be used to develop long-term strategies or short-term tactical programs (Goi, 2009). Marketing mix consist of four component including product, price, place, promotion. Goi (2019) in his research reviewed the development of the marketing mix into a broader framework, namely the 7Ps Marketing mix which is suitable for implementation by service companies. Hashim & Hamzah (2014) describe the 7Ps' Marketing mix including product, price, place, promotion, people, process, physical evidence.

Go-to-Market Strategy is a game plan for reaching and serving the right customers in the right markets, through the right channels, with the right products and the right value proposition (Friedman, 2002, p.14). Friedman (2002) explains that the main components of go-to-market strategy are market, customer, product, channel, and integrated multichannel model.

a. Market:
   Describes how a company selecting the right market because understanding the market helps the business match its strategy to the needs of its target clients.
b. Customer:
   Describes the importance of understanding customer needs in detail to create a product that suits customer needs.
c. Product:
   Describe the importance of making sure the product dan value proposition align with market demands.
d. Channel:
   Describes the selection of the right distribution channels and marketing channels to distribute products.
e. Integrated multi-channel model

Describe the importance of channel integration of which channels should be used, what each one should be doing, how they should communicate and collaborate, and how technology should be applied.

RESEARCH METHOD

This study employs a qualitative research method to develop a go-to-market strategy for PT. APMS to enter electric vehicle repair market. Starting from identified business issue, analysing external and internal environment of the company and formulate a go-to-market strategy. The data collection process includes primary and secondary data collection, primary data were collected through semi-structured interviews with key stakeholders including company executives, suppliers and customers with the aim of gaining insight into company capabilities, market conditions and strategic priorities. Secondary data is also used as supporting data for this research which is taken from industry reports, academic literature, and articles.

This study uses the thematic analysis method to identify important points related to the research objectives. Braun & Clarke (2006) explain that Thematic analysis is a method for identifying, analysing, and reporting patterns (themes) in data, it organizes and describes a collection of data in detail. Thematic analysis is employee to identify key point of each framework to design a go-to-market strategy for PT. APMS.

RESULT AND DISCUSSION

A). External Analysis

PESTEL analysis revealed that the macro-environment in Indonesia strongly supports EV development. Political factors show that the government supports the growth of the electric vehicle market through incentives, the trend of affordable electric vehicle prices also shows a positive side from the economic factor. Although electric vehicles are still in the early stages of their development in Indonesia, consumer confidence and readiness are starting to increase to adopt electric vehicles, showing a change in preferences from social factors. The rapid development of EV technology also shows the commitment of automakers in innovating their products so that business actors also need to adapt quickly. Environmental factors in the body repair & paint industry do not show significant differences between Electric vehicles and Internal combustion engine vehicles so that the applicable waste management is still the same. Likewise, the legal factor, currently Indonesia does not have a specific law that regulates the protection of electric vehicle consumers or laws relating to employees in the electric vehicle industry. Based on the PESTEL analysis, it can be concluded that the electric vehicle market in Indonesia is predicted to continue to grow, thus becoming an opportunity for PT. APMS to expand its business services to the electric vehicle market.

Porter's five forces analysis for PT. APMS shows a high level of competitiveness. (1) Threat of New Entrants - Medium, the biggest barrier to entry for new entrants to become a body repair & paint vendor at an authorized dealer is the network effect where one of the tender successes depends on the brand and reputation of the vendor which needs to be built for years. (2) Supplier bargaining power - Medium, PT. APMS is a body repair & paint vendor at an authorized dealer so that the material suppliers chosen are not careless, only around four to five suppliers meet the required specifications so that supplier power is considered medium because of limited number of supplier and high switching cost risk even though in terms of price, negotiations can still be carried out according to the regulations of each supplier. (3) Bargaining power of buyer – High, PT. APMS customers are authorized dealers who are large companies that have strong capabilities to switch body and paint repair vendors if the vendor cannot provide good quality of work according to standards. (4) Threat of Substitutes – Medium, as a vendor, the threat of service substitution is when the dealer decides to use organic employees, but developing body repair & paint employees takes a long time. (5) Industry Rivalry – High, there are several body repair & paint vendors that already exist in the market with adequate experience. Then, there are several vendors that form companies with suppliers that are a threat to PT. APMS because the flexibility of these vendors will be stronger. Porter’s five forces analysis shows that PT. APMS operates in a competitive business environment due to strong pressure from buyers and competitors despite high barriers to new entrants and relatively controlled suppliers, this condition requires PT. APMS to focus on improving quality through adaptive and innovative business strategies to maintain and expand market share in the body repair & paint industry.

B) Internal Analysis

Value chain analysis shows the activities of PT. APMS from inbound logistics to aftersales service as a depicted at figure 1. Primary activities show the body repair &

paint process is carried out according to the standards set by the dealer, for electric vehicles, PT. APMS uses an oven system of no more than 60 degrees Celsius to avoid battery damage. Then PT. APMS has a customer satisfaction evaluation program to ensure customer satisfaction and company evaluation. But the bottleneck was identified in the putty application process so that PT. APMS needs to find a solution to solve the problem of putty application which takes a long time. Good support activities in terms of finance, legal management, human resources and procurement are added value for the company, but minimal technology development is a challenge for PT. APMS to utilize technology in its business processes so that it can become a new added value for the company. Value chain analysis provides a comprehensive overview of the operational strengths and weaknesses of PT. APMS and areas that need to be developed.

VRIO analysis is conducted to evaluate the company's resources identified through the resource based view model. PT. APMS has tangible resources in the form of Land & Building, Equipment, Capital, Financing Capabilities, while intangible resources are human resources, brand reputation and relations, PT. APMS VRIO analysis can be seen in the table 1. The results of the analysis show that PT. APMS has resources that provide competitive advantages, namely reputation and relations, although resources such as capital & building show competitive parity and human resources, equipment and financing capabilities show temporary competitive advantages.

C) Go-to-market strategy

Go-to-market strategy contains five components, namely market, customer, product, channel and integrated multi-channel model. The formulation of PT. APMS' go-to-market strategy to enter the electric vehicle market can be seen in table 2. The market component is explained using the STP framework by targeting large dealers who have 3S (sales, service, spare parts) and are planning or have run their body repair division with a potential order of 200 until 250 panels a month and located in Bandung. Then the customer component is analysed using the customer profile from the value proposition canvas framework which shows customer jobs such as high profitability and operational effectiveness, then customer pain such as unqualified workforced and inconsistent quality, then customer gain, namely having basic knowledge of EV and great problem solve skills. Then the product components are also analysed using the value proposition canvas which produces products, namely body repair & paint services for electric vehicles by prioritizing cost efficiency and quality evaluation, identified pain relievers such as multi-layer quality control and technician training programs. Then gain creators such as project management systems and EV works protocols also need to be developed by PT. APMS to provide the value needed by customers, 7Ps marketing mix is also identified to determine the price, and physical evidence that needs to be prepared by the company. The most appropriate pricing model is profit sharing with a percentage of 35% to 40% for vendors, then PT. APMS needs to prepare legal documents, certification documents and social media to look more professional in the eyes of customers. Then the distribution channels that need to be developed by the company are flexibility, service improvement and incentive coordination while the most effective marketing channels to take are direct sales marketing, networking and email marketing. The last component is integrated multi-channel model, PT. APMS need to be developed by utilizing direct sales marketing, events or webinars, social media, and email marketing as the most effective marketing channel. PT. APMS needs to organize the coordination and collaboration of each division so that this integrated multi-channel model program can run successfully.

CONLCUSION

Developing an effective go-to-market strategy is essential for PT. APMS to enter the electric vehicle repair market in Indonesia. PESTEL analysis shows a macro environment that supports business growth while Porter's five forces analysis indicates a high level of competition with strong pressure from buyers. Value chain and VRIO analysis reveal that PT. APMS has resources and capabilities that can provide competitive advantages, especially in reputation and relations, although employee development in technical aspects needs to be done. The formulated go-to-market strategy shows that PT. APMS identifies the right market and has a good understanding of customers so that product development needs to be done to provide value to customers. Identification of the most effective marketing activities is also an important thing that needs to be developed by PT. APMS, especially in the integrated multi-channel model. This study has limitations in the short research period because the electric vehicle market is still in the early stages of development in Indonesia so that changes in market conditions can occur in the future. Further research can be done by focusing on exploring the development of technical capabilities and innovation in the electric vehicle body repair & painting industry.

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PICTURES, GRAPHS AND TABLES

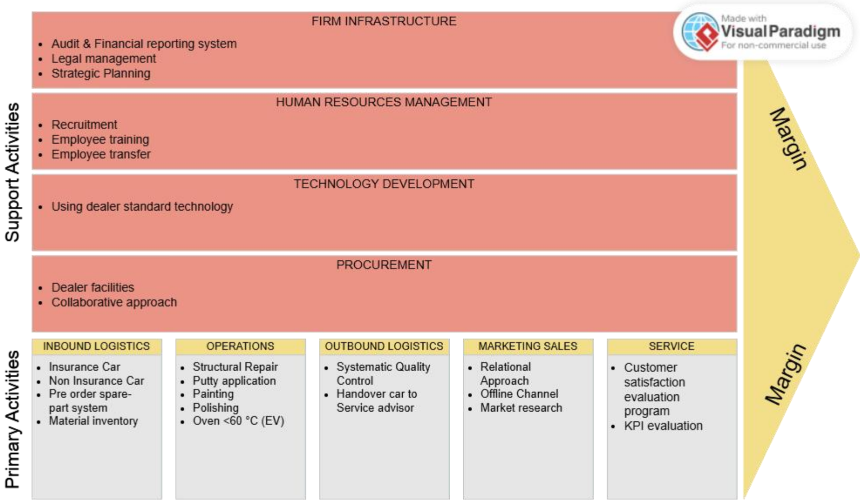

Figure 1. PT. APMS Value Chain Analysis

Table 1. PT. APMS VRIO Analysis

VRIO ANALYSIS					
Resource	Valuable	Rare	Inimitable	Organized	Advantage
Land & Building	✓				Competitive Parity
Equipment	✓	✓			Temporary Competitive Advantages
Capital	✓				Competitive Parity
Financing	✓	✓			Temporary competitive advantages
Human Resource	✓	✓			Temporary competitive advantages
Reputation	✓	✓	✓	✓	Competitive advantages
Relation & Network	✓	✓	✓	✓	Competitive advantages

Table 2. PT. APMS Go-to-market Strategy

Go-to-Market Component	PT. APMS Strategy
Market	PESTEL analysis shows that the electric vehicle market is growing, thus becoming an opportunity for PT. APMS to develop its business. Then the STP analysis shows the potential customers that PT. APMS will target, namely: Segmentation: <u>Demographic</u> • Small dealer (focus on sales), • Large dealer (Sales service sparepart). • Only have General Repair • Also have Body Repair & Paint • Potential order of 150 panel until 300 panel <u>Geographic:</u> dung, Cirebon, Cimahi, Subang. Targeting: <u>Demographic</u> • Large dealer (Sales service sparepart).

<table>
<tr>
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<td>
• Also have Body Repair & Paint
• Minimal Potential order of 200 until 250 panel

<u>Geographic:</u>
Dealer in Bandung as a capital of West Java

<u>Positioning:</u>
"A flexible, adaptive, trusted electric vehicle and conventional vehicle body repair & paint vendor service company that can provide the best quality for customers"
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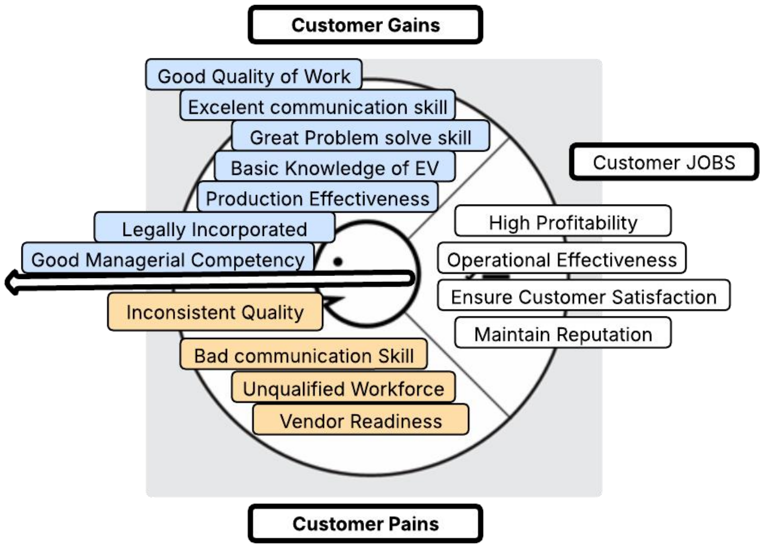
<td>Customer</td>
<td>
<u>Autorzihed dealership</u>

Customer characteristic:



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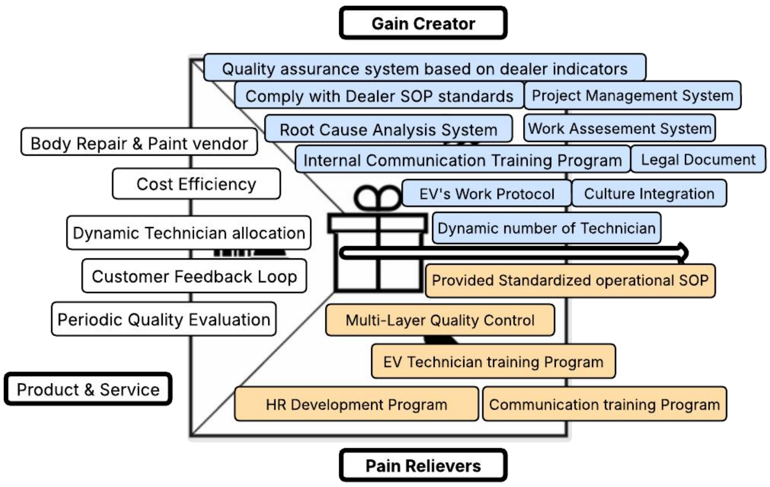
<tr>
<td>Product</td>
<td>
<u>Electric Vehicle Body Repair Service</u>

Product Characteristic:



Pricing Model:
Profit sharing with a range of 35% to 40%.
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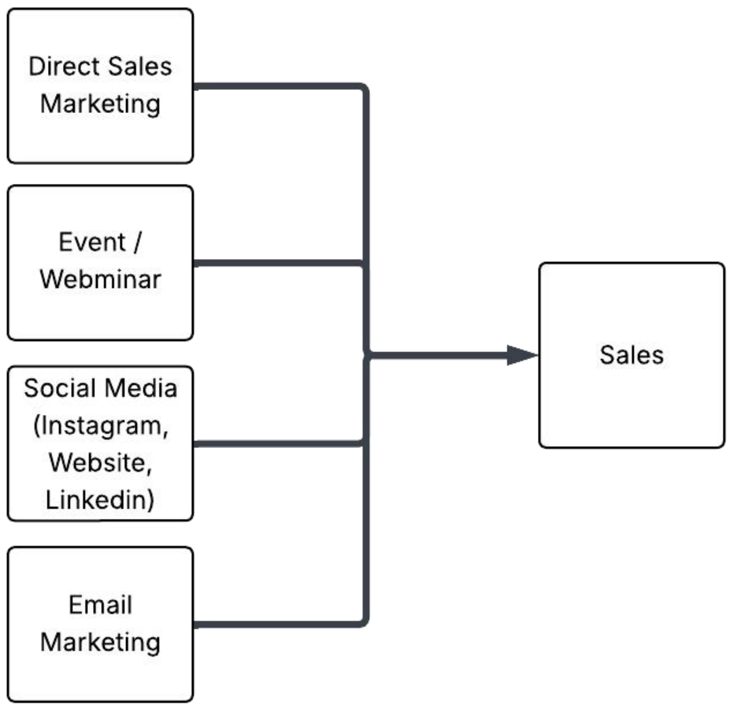
	Physical Evidence: - Company legal documents covering the legality of establishment, and employee rights documents such as BPJS Health and employment. - Company and Employee certification - Social Media: - Instagram - Website - linkedin
Channel	Distribution Channel: - Flexibility and Adaptibility - Service Improvement - Incentive Coordination Marketing Channel: - Direct Sales Marketing - Networking - Email Marketing
Intergrated Multi channel Model	

Table 3. PT. APMS Go-to-market Strategy