



Garuda Indonesia's Business Strategy Formulation Air Cargo Corporation in 2023

Charles. An¹, Hendy Sepriandi², Afizal Candra³, Muhammad Dhyra Pratama⁴

¹Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

²Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia, afizalcandra@gmail.com

³Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

⁴Faculty of Management and Business, Institut Transportasi dan Logistik Trisakti, Indonesia

Corresponding Author: afizalcandra@gmail.com²

Abstract: PT Garuda Indonesia is an airline that not only provides passenger transportation services but also offers cargo delivery services through a specialized organization known as SBU Garuda Cargo. A Strategic Business Unit (SBU) is an independent business unit under the company's umbrella aimed at optimizing resources and maximizing the company's value. The company experienced a 71.36% decrease in the volume of air cargo transportation from 2018 to 2022. The objective of this research is to examine the formulation of strategies for PT Garuda Indonesia. The research type used is qualitative descriptive research, utilizing SWOT analysis to process the data. Therefore, it is crucial for PT Garuda Indonesia to promptly implement appropriate mitigation efforts to increase the volume, establish competitive advantages, and ensure sustainability in its Air Cargo Business.

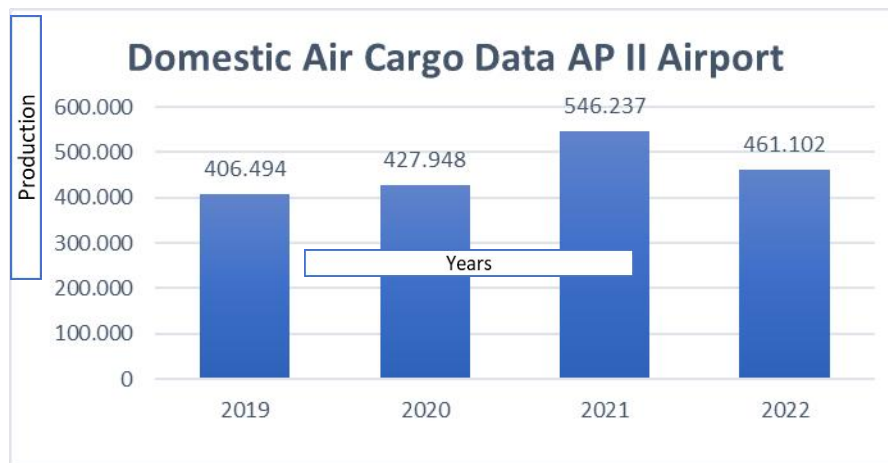
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INTRODUCTION

PT Garuda Indonesia is an airline that provides both passenger transportation services and cargo delivery services. With the growing interest in air cargo services and the geographical factors in Indonesia, the cargo business is expected to offer even greater reliability to customers for sending their goods to their destinations. To facilitate cargo delivery, PT Garuda Indonesia has a specialized organization that handles this service known as SBU Garuda Cargo, which stands for Strategic Business Unit. A Strategic Business Unit is an independent business unit under a company that aims to optimize resources and maximize the company's value. Despite the emergence of other airline companies in the same field, such as Sriwijaya Air, Lion Air, Batik Air, and others. The company became a primary competitor, even though SBU Garuda Cargo was the first company to implement cargo delivery services. (Yuliana, 2013) Transport using air transportation continues to grow because it has strong characteristics, namely speed of delivery time. Currently, the provision of goods transportation services by air is quite developed in Indonesia. This cannot be

separated from the increase in goods deliveries at any time. Where the aim of air cargo delivery is to provide convenience and speed in sending goods to all regions, this change in behavior is a good opportunity for the aviation business. This potentially huge business opportunity is also not missed by cargo delivery service companies, one of which is PT. Garuda Indonesia, through the Cargo business unit.(Garuda, 2020)

During the COVID-19 pandemic, it shifted the business trends in the aviation industry, and currently, the cargo business line has become one of the main sources of revenue for PT Garuda Indonesia. The national economic recovery is becoming increasingly evident. Challenges from global economic and geopolitical situations are still present, but Indonesia's economy continues to grow, as reported by the Central Statistics Agency (BPS), which recorded a 5.72% year-on-year growth in the third quarter of 2022, up 0.28% from the previous quarter. BPS noted that the industries with the highest growth in the third quarter of 2022 were transportation and warehousing, as well as accommodation and food and beverage services. This growth was driven by increased mobility of the population and an increase in foreign tourists visiting the country. (Azhar, 2022)



In 2020, when the Covid-19 pandemic struck, the cumulative volume of domestic cargo transport at 20 AP II airports was recorded at 427,948 tons, an increase of 5.27% compared to the pre-pandemic year of 2019, which saw 406,494 tons. Then, in 2021, the volume of domestic cargo transport reached 546,237 tons, an increase of 27.64% compared to 2020. However, in 2022, the volume of domestic air cargo in 2022 reached 461.102 tons. The volume of domestic cargo transport in 2022 decreased compared to 2021. (Suwala, 2021)

The increase in domestic cargo transport volume simultaneously proves that the domestic market strongly supports the recovery of the national aviation sector. Meanwhile, the air cargo transportation of PT Garuda Indonesia witnessed a 71.36% decrease in volume from 2018 to 2022, based on the company's annual reports. Therefore, the company needs an appropriate strategy to boost its Air Cargo Business, establish a competitive advantage, and ensure sustainability.

Literature Review

Cargo is any goods transported by air (airplanes), sea (ships), or land (container trucks) for trading, both within domestic regions or cities and internationally, which is known as export-import (Ahmad Fariz viali & Saptono, 2020). Air cargo is air cargo (goods) loaded by an aircraft and delivery can be carried out by airlines or agents (freight forwarding) whether sent between cities, islands, domestically or internationally and of course accompanied by supporting documents in accordance with IATA guidelines. Air cargo refers to any type of load that is planned and transported using airlines. These loads can consist of various types of items, including liquids, solids, live animals (AVI), perishable goods, and more.(Utami, 2022)

Air transportation is the most advanced and fastest mode of transportation. This mode of transportation utilizes aircraft as the means of transport and the air or space as the route, with the aircraft equipped with sophisticated navigation and telecommunication tools (ahmad Fariz viali & Saptono, 2020). According to (Harahap & Susanto, 2020), strategy is an ongoing and adaptive response to external opportunities and threats, as well as internal strengths and weaknesses that can influence an organization. On the other hand, according to (David, F.R., 2017), business strategy is the approach to achieving long-term goals. Business strategies can include geographic expansion, diversification, acquisitions, product development, market penetration, employee rationalization, divestment, liquidation, and joint ventures. Competitor Identification There are 4 (four) levels of competition, based on the level of product substitution, namely: 1. Brand Competition, occurs when a company considers competitors are other companies that offer similar products and or services to the same customers at the same prices 2. Competition an Industry, occurs when a company considers its competitors to be all companies that make the same product or product class. 3. Formal Competition, occurs when a company considers its competitors to be all companies that produce products that provide the same services. 4. Generic Competition, occurs when a company considers its competitors to be all companies that compete to get consumer dollars same. (Harahap & Susanto, 2020)

Strategic management is defined as the art and science of formulating, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. Strategic management focuses on the integration of management, marketing, finance and accounting, production and operations, research and development, and information systems to achieve organizational success (David, F.R., 2017)

The strategic formulation stages according to (David, F.R., 2017) can be integrated into 3 stages including:

- a. Input stage (Input stage)
 1. Internal Factor Analysis: identifying the strengths and weaknesses of a company to achieve company goals.
 2. External Factor Analysis: identifying opportunities and threats for a company in maintaining the company in the existing market.
- b. Matching Stage (Matching Stage)
 1. Analyze the SWOT 4K diagram
 2. IE Matrix (Internal-External)
 3. BCG Matrix (Boston Consulting Group)
 4. Grand Strategy Matrix (Grand Strategy)
- c. Decision Stage (Decision Stage)

A quantitative strategic planning matrix (QSPM) is a tool that allows strategists to evaluate various alternative strategies objectively.

Alternative strategies according to (David, F.R., 2017) are as follows: Forward integration, namely obtaining greater ownership or control over distributors or retailers, Backward integration, namely seeking greater ownership or control over company suppliers, Horizontal integration, namely seeking greater ownership or control over competitors, Market penetration, namely seeking a larger market share for the current product or service in the current market through better marketing efforts, Market development, namely introducing the current product or service this is to a new geographic area, Product development, namely seeking to increase sales through improving current products or services or developing new products or services, Related diversification, namely adding new but related products or services, Unrelated diversification, namely adding products or services new but unrelated ones, Downsizing, namely regrouping through reducing costs and assets to reverse declining sales and profits, Divestment, namely the sale of a division or part of an organization, Liquidation, namely the sale of all company assets, separately separate, for its tangible wealth.

METHOD

This research method is qualitative and is divided into a series of stages, first analyzing the amount of domestic air cargo production data in the last 5 (three) years, then analyzing internal and external strategic factors as well as analyzing the company's SWOT (Strengths, Weakness, Opportunities and Threats) using SWOT-4K matrix, IE Matrix, BCG Matrix and Grand Strategy Matrix and QSPM Matrix to determine the strategic position of PT Garuda Indonesia, and then formulate and determine the Company's alternative strategy, for collecting primary data through interviews and questionnaires and direct observation, as well as secondary data through document study

RESULT AND DISCUSSION



Figure 2 Domestic Air Cargo Production 2018 – 2022

Source : Air Transport Statistic 2022 by INACA

The diagram above represents the top 5 airlines with the largest cargo volume in Indonesia. The volume of air cargo transportation by PT Garuda Indonesia from 2018 to 2022 experienced a significant decrease, as evidenced by the data: in 2018, it was 252,957 tons, in 2019, it was 180,492 tons, in 2020, it was 117,906 tons, in 2021, it was 110,511 tons, and in 2022, it was 72,447 tons. There was a substantial decrease of 71.36% from 2018 to 2022. The significant decline in Garuda's can be connected to five standout years: 2018 to 2022. The first factor is the pandemic, and the second factor is the management of Garuda itself. Additionally, there were reductions in flight routes and number of fleets , which contributed to the sharp decrease in Garuda Indonesia.(INACA, Perhubungan, 2022)

Level of Domestic Air Cargo Business Competition

The Competitive Profile Matrix (CPM) identifies the position of Garuda Indonesia and its main competitors in the competitive air cargo business. The CPM Matrix is based on Key Success Factors (KSF) which cover a wide range of internal and external issues.

Table 1 CPM Matrix

No	Important Success Factors	Weight	Garuda Indonesia		Lion Air		Sriwijawa Air		Citilink		Batik Air	
			Rating	Score	Rating	Score	Rating	Score	Rating	Score	Rating	Score
1	Advertisement	0,09	3	0,27	3	0,27	2	0,18	3	0,27	3	0,27
2	Product Quality	0,11	4	0,44	2	0,22	3	0,33	3	0,33	4	0,44
3	Price	0,10	2	0,20	4	0,40	3	0,30	2	0,20	3	0,30
4	Management	0,09	2	0,18	3	0,27	2	0,18	2	0,18	3	0,27
5	Customer Loyalty	0,11	2	0,22	4	0,44	2	0,22	2	0,22	3	0,33
6	Marketshare	0,11	3	0,33	4	0,44	2	0,22	2	0,22	3	0,33
7	Service Quality	0,11	3	0,33	3	0,33	3	0,33	3	0,33	3	0,33
8	E-Commerce	0,10	3	0,30	3	0,30	2	0,20	3	0,30	3	0,30
9	Branding	0,09	3	0,27	3	0,27	2	0,18	3	0,27	3	0,27
10	Management Experience	0,09	3	0,27	3	0,27	2	0,18	3	0,27	3	0,27
TOTAL		1,00	2,81		3,21		2,32		2,59		3,11	
RANKING			III		I		V		IV		II	

Source : Processed primary data, 2023

Based on the CPM matrix, Garuda Indonesia is in 3rd position where Garuda Indonesia has branding that is very well known to customers and competitors, very good product quality and service quality that continues to improve so that it can compete with its competitors. This shows that Garuda Indonesia has success factors that are able to compete with its competitors.(Wiwik & Ningsih, 2019)

Strategy According to the Internal-External Matrix

The Internal-External (IE) Matrix positions various divisions of an organization in a nine-cell display(An, Charles , Maulana Galih, 2019). The IE Matrix is based on two key dimensions: the total weighted IFE score on the x-axis and the total weighted EFE score on the y-axis. The IE Matrix is divided into three major categories, each with different strategic implications:

- a. GROWTH: "Grow and Build" positions in cells I, II, IV.
- b. STABILIZATION: "Hold and Maintain" positions in cells III, V, VII
- c. DIVESMENT: "Harvest or Divest" positions in cells VI, VIII, IX.

Table 2 IFE (Internal Factor Evaluation) Matrix

No	STRENGTH	WEIGHT	RATING	SCORE
1	Prioritizing Flight Safety	0,11	4	0,44
2	Having adequate facilities and advanced technology in aviation that facilitate consumers	0,09	3	0,27
3	Having knowledgeable and reliable human resources/manpower	0,10	3	0,30
4	Excellence in On-Time Performance (OTP)	0,11	3	0,33
5	Having a strong brand and gaining the trust of the public	0,11	3	0,33
	TOTAL STRENGTH	0,52		1,67

NO	WEAKNESS	WEIGHT	RATING	SCORE
1	Having a complex organizational structure that leads to complicated bureaucracy and slow communication	0,11	2	0,22
2	Unstable financial condition	0,11	2	0,22
3	Having high operational costs, resulting in expensive passenger flight tickets and air cargo waybills	0,09	1	0,09
4	Suboptimal Load Factor	0,10	2	0,2
5	Reduced fleet size, impacting flight frequency	0,07	1	0,7
	TOTAL WEAKNESS	0,48		0,8
	TOTAL	1,00		2,47

Source : Processed primary data, 2023

Table 3 EFE (External Factor Evaluation) Matrix

NO	OPPORTUNITIES	WEIGHT	RATING	SCORE
1	Government support in the form of loans to help improve the company's finances	0,11	3	0,33
2	High demand for logistics by the community	0,08	3	0,24
3	The geographical conditions of Indonesia as an archipelagic nation	0,09	3	0,27
4	The development of the aviation system in Indonesia	0,09	2	0,18
5	Deregulation of the aviation industry in Indonesia	0,10	2	0,20
	TOTAL OPPORTUNITIES	0,47		1,22

NO	THREAT	WEIGHT	RATING	SCORE
1	Price competition with competitors.	0,11	3	0,33

2	Tendency of consumer interest in using sea transportation over air transportation.	0,10	2	0,20
3	Increase in aviation fuel (Avtur) prices.	0,11	3	0,33
4	Dependence on Pertamina for fuel	0,11	3	0,33
5	Other airlines that are cheaper and have varied flight schedules	0,10	2	0,20
TOTAL THREAT		0,53		1,39
TOTAL		1,0		2,61

Source : Processed primary data, 2023

The highest total score is 4.0, while the lowest is 1.0. A total score of 4.0 implies that the organization is capable of effectively capitalizing on opportunities and mitigating risks. A total score of 1 indicates that the organization is not effective in capturing opportunities and avoiding threats, according to theory (Fred R. David). In the previous EFE table, the opportunity and threat factors approached 3.0, indicating that PT. Garuda Indonesia is reasonably effective in capitalizing on opportunities and avoiding threats. For a more detailed explanation of the nine strategies found in the nine cells of the IE matrix, as explained above, you can refer to the internal-external matrix for PT. Garuda Indonesia, as shown in the following diagram.

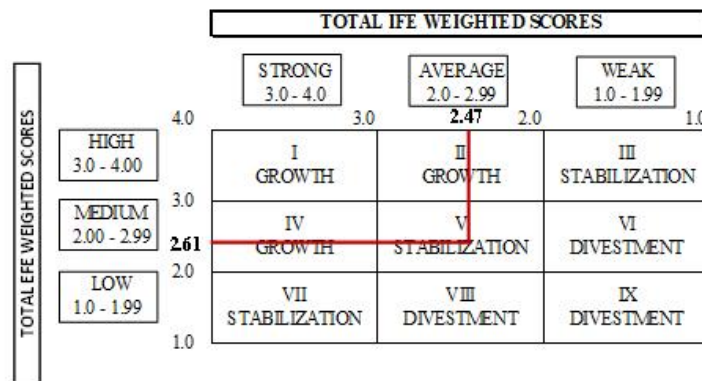


Figure 3 Matrix (Internal-External) IE

Source : Processed primary data, 2023

In the diagram above, according to the SWOT analysis in the IE Matrix conducted by the author, PT Garuda Indonesia is positioned in cell V, which signifies "Stabilization (Hold and Maintain)." With a total score of 2.47 for internal strategy factors and a total score of 2.61 for external factors, we can conclude that PT Garuda Indonesia is in a position of holding and maintaining or stabilization. The strategies that can be applied in this "Hold and Maintain" condition include Market Penetration, Merket Development and Product Development. In this position, the company can also implement selective investment strategies, where this business unit has significant growth opportunities but should be more selective in making investments.

Analysis According to the SWOT 4K Diagram

This analysis is applied to a diagram divided into four quadrants. Its purpose is to determine the company's position and development by summing up the strengths and opportunities, which have positive values (+), and weaknesses and threats, which have negative values (-).(Zahra Vinia, Fitriyanti Istiqomah, Charles An, 2022)

Table 4 Total Weight value

No	STRENGTH	WEIGHT	RATING	SCORE
1	Prioritizing Flight Safety	0,22	4	0,88
2	Having adequate facilities and advanced technology in aviation that facilitate consumers	0,19	3	0,57
3	Having knowledgeable and reliable human resources/manpower	0,19	3	0,57
4	Excellence in On-Time Performance (OTP)	0,21	3	0,63
5	Having a strong brand and gaining the trust of the public	0,19	3	0,57
TOTAL STRENGTH		1,0		3,22
NO	WEAKNESS	WEIGHT	RATING	SCORE
1	Having a complex organizational structure that leads to complicated bureaucracy and slow communication	0,21	2	0,42
2	Unstable financial condition	0,19	2	0,38
3	Having high operational costs, resulting in expensive passenger flight tickets and air cargo waybills	0,18	1	0,18
4	Suboptimal Load Factor	0,21	2	0,42
5	Reduced fleet size, impacting flight frequency	0,21	1	0,21
TOTAL WEAKNESS		1,0		1,61
NO	OPPORTUNITIES	WEIGHT	RATING	SCORE
1	Government support in the form of loans to help improve the company's finances	0,21	3	0,63
2	High demand for logistics by the community	0,2	3	0,6
3	The geographical conditions of Indonesia as an archipelagic nation	0,23	3	0,69
4	The development of the aviation system in Indonesia	0,19	2	0,38
5	Deregulation of the aviation industry in Indonesia	0,17	2	0,34
TOTAL OPPORTUNITIES		1,0		2,64
NO	THREAT	WEIGHT	RATING	SCORE
1	Price competition with competitors.	0,22	3	0,66
2	Tendency of consumer interest in using sea transportation over air transportation.	0,21	2	0,42
3	Increase in aviation fuel (Avtur) prices.	0,18	3	0,54
4	Dependence on Pertamina for fuel.	0,19	3	0,57
5	Other airlines that are cheaper and have varied flight schedules.	0,20	2	0,40
TOTAL THREAT		1,0		2,59

Source : Processed primary data, 2023

Based on the results, it is known that the horizontal axis (X) is 0.82 and the vertical axis (Y) is 0.26. Therefore, when plotted on a diagram, the company's position is at the coordinates {1,61;0.05}.



Figure 4 SWOT 4K Diagram

Source : Processed primary data, 2023

Based on the SWOT-4K analysis that the author has conducted, it is evident that PT Garuda Indonesia is positioned in quadrant I, which is the internal factor with a score of (1.61) and the external factor with a score of (0.05). PT Garuda Indonesia is in a favorable position where the company can leverage its strengths with the existing opportunities to increase the volume of air cargo shipments. Therefore, based on the SWOT-4K diagram analysis, the strategies that can be applied include Market Development, Product Development, Forward Integration, Backward Integration, Horizontal Integration, and Related Diversification. Thus, in the SO quadrant of the SWOT matrix, the strategies that can be applied are Product Development, Market Development, and Market Penetration.

Analysis Based on the BCG Matrix

Table 5 Market Share Data

NO	Airline	2021	2022	Market Growth	Market Share 2022	Highest Competitor Market Share	Relative Market Share
1	Garuda Indonesia	110.511	72.447	-34%	19%	22%	0,86
2	Lion Air	56.063	83.925	50%	22%	19%	1,16
3	Citilink	89.482	69.512	-22%	18%	22%	0,83
4	Sriwijaya	14.771	15.163	3%	4%	22%	0,18
5	Batik Air	71.785	69.654	-3%	18%	22%	0,83
6	Other Airlines	45.785	72.757	59%	19%	22%	0,87
TOTAL		388.397	383.458				

Source : Processed primary data, 2023

PT Garuda Indonesia is ranked second in Table 4 with a market share of 19%. Meanwhile, the top-ranked market share is held by Lion Air at 22%. Air cargo shipments by PT Garuda Indonesia experienced a 34% decrease in 2022, and this decline is reflected in PT Garuda Indonesia's market share position.

This analysis is applied in a diagram divided into four quadrants, with the aim of determining the company's position and development. It is depicted in four different conditions as follows.

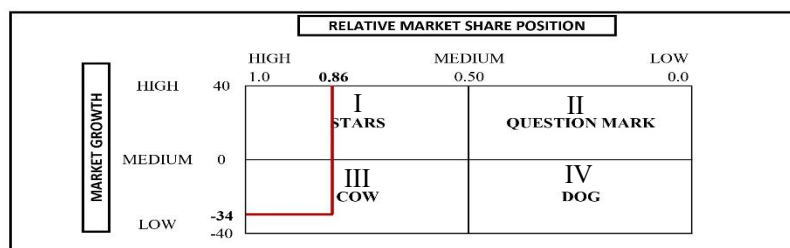


Figure 5 BCG Matrix

Source : Processed primary data, 2023

Based on the figure above, it is evident that PT Garuda Indonesia is positioned in quadrant III (Cow), as per Fred R. David's approach. In the BCG Matrix, Cows are products categorized by the growth. Many companies in this condition were formerly in the Stars category. In this position, the strategies that can be implemented based on the BCG Matrix approach are product development, market development and product diversification to maintain their strong position for as long as possible to generate profits and cash flow, which may require investments to facilitate growth.

Analysis Based on the Grand Strategy Matrix

Based on the table above, the subtotal weighted values for each internal factor are as follows: strengths (3.22) and weaknesses (1.61), and for external factors, opportunities (2.64) and threats (2.59). These values are allocated into the calculations as follows: In the Grand Strategy Matrix analysis, PT Garuda Indonesia is positioned in quadrant I. This quadrant is formed by a positive horizontal axis (indicating a fairly strong competitive position or company strengths) and a positive vertical axis (indicating relatively fast industry growth or company opportunities), with coordinates (1.61;0.05).



Figure 6 Grand Matriks Strategy

Source : Processed primary data, 2023

The suitable strategies for PT Garuda Indonesia are as follows:

1. Market development
This can be achieved through actions such as adding flight routes, flight frequency, and increase the number of fleets.
2. Market Penetration
Collaboration with third parties such as Online Travel Agencies (OTAs) and logistics brokers, as well as offering special promotions. Garuda Indonesia Cargo's work program can become bigger in the future because the target market becomes wider but still prioritizes efficiency and effectiveness.
3. Product Development
Sustainability initiatives can be pursued for air cargo business development, such as using more environmentally friendly fleets or more efficient packaging solutions to reduce environmental impact.
4. Forward Integration, Backward Integration Horizontal Integration and Related Diversification.

Strategy Formulation Based on the Quantitative Strategic Planning Matrix (QSPM)

Based on the analysis of the IE, SWOT-4K, BCG Matrix, and the Grand Strategy Matrix, a series of strategic alternatives are obtained as follows:

Table 6 Matching Stage

STRATEGY	IE	SWOT 4K	BCG	GRAND STRATEGY	TOTAL
Market Penetration	V	V	-	V	2
Market Development	V	V	V	V	4

Product Development	V	-	V	V	3
Forward Integration	-	V	-	V	2
Backward Integration	-	V	-	V	2
Related Disverification	-	V	V	V	3
Unrelated Disverification	-	-	-	V	1
Divestment	-	-	-	-	-
Liquidation	-	-	-	-	-

Source : Processed primary data, 2023

The results of the processed data show that there is one alternative strategy, namely Product Development. To determine the priority level of this alternative strategy, the Quantitative Strategic Planning Matrix (QSPM) is used. The QSPM matrix determines the priority level of strategy implementation, seen based on the Total Attractiveness Value (\sum TAS) of each strategy, where the first priority is described by the largest Total Attractiveness Value (\sum TAS) and so on for the second priority. Thus the strategy formulation used in this research is product development, in its implementation in the form of:

- Companies can add/reopen flight routes that were previously closed to increase connectivity and reach new markets
- Companies can increase flight frequency on certain routes that have the potential to produce high production levels, and will also strengthen the company's market position with more flight schedule options.
- Companies can increase the number of fleets, to increase transportation capacity and meet market demand

This matrix consists of external factors and internal factors, where this information is taken from the Internal-External Matrix with identical weights. There are strategy options obtained from the matching results, which are then determined by the attractiveness score (Attractiveness Score – AS) of each existing strategy option and then the total attractiveness score (Total Attractiveness Score – TAS) is found. The attractiveness value is defined as follows, a value of 1 (one) = has no attractiveness value, a value of 2 (two) = a low attractiveness value, a value of 3 (three) = a sufficient attractiveness value, and a value of 4 (four) = an attractive value Very interesting attraction.

Table 7 QSPM MATRIX

No	Factor Strategic	Weight	Market Development Strategy					
			Add More Flight Routes		Add More Flight Frequency		Add More Fleets	
			AS	TAS	AS	TAS	AS	TAS
Strength								
1	Prioritizing Aviation Safety	0,11	4	0,44	4	0,44	3	0,33
2	Has adequate in-flight facilities and advanced technology that makes things easier for consumers	0,09	3	0,27	1	0,09	2	0,18
3	Have knowledgeable and reliable resources/man power	0,10	3	0,3	3	0,3	2	0,2
4	Excels in On Time Performance (OTP) flight punctuality.	0,11	2	0,22	3	0,33	3	0,33
5	Have a strong brand and gain public trust	0,11	2	0,22	2	0,22	2	0,22
Weakness								
1	It has a complex organizational structure so that bureaucracy becomes complicated and communication becomes slow	0,11	0	0	0	0	0	0
2	Unstable financial condition	0,11	4	0,44	3	0,33	1	0,11
3	It has high operational costs so flight ticket prices are more expensive	0,09	2	0,18	3	0,27	2	0,18
4	Load Factor that is not optimal	0,10	2	0,2	3	0,3	1	0,1
5	The number of fleets has decreased, which has an impact on flight frequency	0,07	2	0,14	3	0,21	3	0,21
Opportunities								
1	There is support from the government in the form of financial loans to help improve company finances	0,11	3	0,33	2	0,22	2	0,22
2	The community's need for logistics is very high	0,08	3	0,24	2	0,16	2	0,16
3	Indonesia's geographical condition as an archipelagic country	0,09	4	0,36	2	0,18	1	0,09
4	Development of the aviation system in Indonesia	0,09	0	0	0	0	0	0
5	Deregulation of the Indonesian aviation industry	0,10	0	0	0	0	0	0
Threat								
1	Price competition with competitors.	0,11	0	0	0	0	0	0
2	The tendency of consumers to use sea transportation compared to air	0,10	3	0,3	3	0,3	2	0,2
3	Increase in air fuel (Avtur) prices	0,11	3	0,33	2	0,22	3	0,33
4	Fuel depends on Pertamina	0,11	0	0	0	0	0	0
5	Other airlines are cheaper and have varied flight schedules	0,10	2	0,2	3	0,3	1	0,1
TOTAL SCORE		2,00	4,17		3,87		2,96	
PRIORITY			I		II		III	

Source : Processed primary data, 2023

Based on the results of the QSPM Matrix, the Total Attractiveness Score (TAS) of each strategy is 4.17 for strategy 1 and 3.87 for strategy 2 and 2.96 for strategy 3. So it can be concluded that the strategy is suitable for current conditions, namely that the company can add /reopening flight routes that were previously closed to increase connectivity and reach new markets, followed by a second strategy, namely increasing flight frequency on certain routes that have the potential to produce high production levels, will also strengthen the company's market position with more flight schedule options and strategies third, the company can increase the number of fleets, to increase transportation capacity and meet market demand

CONCLUSION

During the period from 2018 to 2022 based on the company's annual reports. PT Garuda Indonesia experienced a significant decline of 71.36% in its air cargo transportation services. The market share of PT Garuda Indonesia also decreased from being in the top position in 2021 to the second position in 2022 with a market share of 19%. This poses a serious threat to the company.

Based on the results of the research that has been carried out, the conclusion obtained is: PT Garuda Indonesia's level of competition is quite good. Based on the CPM Competitive Profile Matrix, PT Garuda Indonesia is ranked third. Based on the IE Matrix, the company's position is in cell V, namely holding and maintaining. In the BCG Matrix, the company is in quadrant III (Cash Cows). Based on the SWOT-4K Matrix and Grand Strategy Matrix, the company's position is in quadrant I.

Based on the results of the QSPM Matrix, the Total Attractiveness Score (TAS) resulting from strategy formulation with a market development strategy, shows that the first priority is that the company can add/reopen flight routes that were previously closed to increase connectivity and reach new markets as the main priority with Total Attractiveness Score (TAS) of (4.17) and followed by the second priority, namely increasing flight frequency on certain routes that have the potential to produce high production levels, will also strengthen the company's market position with more flight schedule options with a Total Attractiveness Score (TAS) of (3.87) and the third strategy is that the Company can increase the number of fleets, to increase transport capacity and meet market demand with a Total Attractiveness Score (TAS) of (2.96)

Implications

Air cargo research with strategic analysis can provide deep insight into the critical factors that influence air cargo operations. Some implications may involve improving the efficiency of delivery processes, identifying new market opportunities, mitigating risks related to operational weaknesses, and exploiting strengths that can provide competitive advantage. With this understanding, Garuda Indonesia can optimize their strategy, overcome challenges, and position themselves more effectively in the domestic and global logistics markets.

Research limitations

Some restrictions may involve limited access to detailed information about air cargo operations that is confidential or restricted. Additionally, reliance on interviews or observations may limit the reach of the data, especially considering the sensitivity of operational information in the air cargo industry, this may affect the depth of analysis. Research development should include exploration of alternative business models that may provide a competitive advantage, such as strategic partnerships or the development of additional services. Develop more advanced risk modeling to understand and manage potential risks associated with the business strategy, including operational and financial risks.

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