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Sustainable Competitive Advantage through Strategic Analysis: A Case Study of PT Avia Avian Tbk

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Sustainable Competitive Advantage; Strategic Analysis; Value Chain Analysis; Competitive Profile Matrix; Business Sustainability; Paint Industry

Abstract
This study aimed to analyze the strategic factors that supported the creation of sustainable competitive advantage at PT Avia Avian Tbk, one of the leading companies in Indonesia's paint and building coatings industry. The study employed a qualitative descriptive approach using a case study method, with secondary data obtained from the company's annual reports, sustainability reports, official publications, and relevant scientific literature. The analysis was conducted using PEST analysis, Porter's Five Forces analysis, industry life cycle analysis, value chain analysis, and the Competitive Profile Matrix (CPM). The findings indicated that PT Avia Avian Tbk maintained a strong competitive position supported by an extensive distribution network, product innovation capabilities, vertical integration, operational efficiency, and a commitment to sustainability. From an external environmental perspective, the company benefited from construction sector growth, increasing demand for environmentally friendly products, and technological developments that supported innovation. Meanwhile, competition within Indonesia's paint industry remained relatively intense, although the threats posed by new entrants and substitute products were relatively low. The CPM results indicated that PT Avia Avian Tbk demonstrated a stronger competitive position compared with several major competitors in the industry. This study concluded that a company's ability to manage internal resources, strengthen innovation, and adapt effectively to changes in the business environment were key factors in maintaining sustainable competitive advantage. The findings are expected to serve as a reference for manufacturing companies in formulating business strategies oriented toward long-term growth and sustainability.

INTRODUCTION

In recent years, Indonesia has entered a phase of economic development that increasingly emphasizes sustainability principles. The government has continued to encourage the strengthening of the manufacturing sector as a key driver of national economic growth, particularly following the recovery from the COVID-19 pandemic. The manufacturing sector not only contributes to gross domestic product (GDP) growth but also plays a role in job creation, innovation development, and the enhancement of national industrial competitiveness (Behun et al., 2018; Su & Yao, 2017). According to Khan et al. (2021), manufacturing companies play a strategic role in supporting sustainable development through technological innovation, operational efficiency, and environmentally and socially responsible business practices.

One manufacturing subsector that contributes significantly to national development is the paint and building coatings industry (Abubakar et al., 2026; Akhter et al., 2025). Paint products not only serve aesthetic purposes but also provide protection for buildings and infrastructure against damage caused by environmental factors (Pagnin et al., 2023; Shpakova et al., 2024). Furthermore, the growth of the paint industry supports the development of the construction and property sectors, which are key contributors to Indonesia’s economy. From a sustainability perspective, this industry faces increasing pressure to produce environmentally friendly products that are safer for consumer health. Research by Dangelico et al. (2017) demonstrates that green product innovation is a crucial factor in improving company competitiveness while addressing stakeholder demands for sustainable business practices.

The paint and coatings industry in Indonesia demonstrates positive growth prospects, supported by increasing construction activity, infrastructure development, and building renovation projects (Tampubolon, 2025; Wibowo et al., 2024). According to various industry reports, the Indonesian paint and coatings market is projected to grow by approximately 6–8% annually in the coming years, driven by rising demand from residential, commercial, and industrial sectors. Furthermore, paint consumption per capita in Indonesia remains relatively low compared with several Southeast Asian countries, indicating substantial potential for market expansion. This condition creates opportunities for companies to continue expanding their operations and developing innovative products to meet evolving market demands.

PT Avia Avian Tbk (Avian Brands) is one of the leading companies in Indonesia’s paint and coatings industry. The company, founded on November 1, 1978, by Soetikno Tanoko in Sidoarjo, East Java, initially produced wood and iron paint before expanding into the manufacturing of various types of architectural and industrial coatings. Currently, Avian Brands offers a diverse product portfolio, including wall paints, wood and iron coatings, waterproofing products, and industrial coatings under widely recognized brands such as Avian Paint, Avitex, and No Drop. The company’s success in expanding its product portfolio demonstrates its ability to respond to changing market needs and maintain its competitive position amid increasingly intense industry competition.

The selection of PT Avia Avian Tbk as the research object was based on its consistent performance in creating economic value while implementing sustainability principles. According to its 2024 Annual Report, the company recorded net sales of Rp7.47 trillion and net profit of Rp1.66 trillion. This performance reflects the company’s ability to maintain stable growth despite facing various global and domestic economic challenges. Furthermore, the company operates an extensive distribution network comprising 162 distribution centers supported by more than 57,000 building stores throughout Indonesia. This distribution network represents a key competitive advantage that enables the company to effectively reach the national market and strengthen its position as a leader in the domestic paint industry.

Another competitive advantage of PT Avia Avian Tbk lies in its commitment to sustainable innovation. The company is supported by more than 80 chemical experts and research and development facilities focused on producing high-quality and environmentally friendly products. In 2024, the company launched 14 new products, several of which received Green Label certification as evidence of its commitment to reducing environmental impacts. Research by Albort et al. (2018) indicates that sustainable innovation not only improves environmental performance but also contributes to the development of long-term competitive advantage. Therefore, Avian Brands’ efforts to develop environmentally friendly products can be viewed as a strategy aligned with the global transition toward a green economy.

In addition to contributing to economic and environmental aspects, PT Avia Avian Tbk also contributes to employment creation and social development. Since listing its shares on the Indonesia Stock Exchange in 2021 under the ticker symbol AVIA, the company has continued transforming its governance practices toward more professional and transparent public company standards. Good corporate governance practices, corporate social responsibility, and sustainability commitments are important factors in building stakeholder trust and strengthening corporate reputation. This perspective aligns with Freeman et al. (2021), who stated that the success of modern companies is determined not only by financial performance but also by their ability to create value for all stakeholders.

Several studies have examined competitive advantage in the manufacturing sector. Novina and Murhadi (2024) analyzed PT Avia Avian Tbk's strategy in responding to market competition using SWOT, EFE, IFE, CPM, TOWS, SPACE, BCG, IE, and QSPM analyses, with a primary focus on distribution optimization. Frost & Sullivan (2024) examined Avian Brands' innovative business model and proactive market adaptation, highlighting product innovation, loyalty programs, and distribution optimization. Aminudin et al. (2024) investigated the relationship between electronic human resource management (e-HRM), sustainable innovation, organizational agility, and sustainable competitive advantage in Indonesian manufacturing industries. Guntararayana et al. (2026) explored the role of green innovation as a source of competitive advantage for manufacturing companies in the circular economy era.

Although these studies provide valuable insights, most have focused on specific aspects such as distribution, innovation, or organizational agility without providing a comprehensive strategic analysis integrating multiple analytical frameworks simultaneously (Brand et al., 2021; Margherita et al., 2021; Shams et al., 2021). Furthermore, limited research has examined how the integration of environmental, social, and governance (ESG) principles, product innovation, operational efficiency, and extensive distribution networks collectively contributes to sustainable competitive advantage in the Indonesian paint industry. This study seeks to address this gap by applying a holistic strategic analysis approach that combines PEST analysis, Porter's Five Forces analysis, industry life cycle analysis, value chain analysis, and Competitive Profile Matrix (CPM) to examine the strategic factors supporting sustainable competitive advantage at PT Avia Avian Tbk.

Based on this description, PT Avia Avian Tbk represents a national company that has successfully integrated business growth, innovation, and sustainability principles into its corporate strategy. The company's ability to adapt to market changes, develop innovative products, expand its distribution network, and implement social and environmental responsibilities makes it a relevant case for understanding how manufacturing companies create sustainable competitive advantage.

This study aimed to analyze the strategic factors supporting sustainable competitive advantage at PT Avia Avian Tbk by examining internal and external business environments. The findings provide several practical contributions. This study offers a comprehensive strategic analysis framework that can serve as a reference for manufacturing companies in developing business strategies oriented toward long-term growth and sustainability. The application of multiple strategic analysis tools demonstrates an integrated approach that may be adopted by other companies to evaluate their competitive positions. Furthermore, identifying key success factors in the paint industry provides valuable insights for industry players in prioritizing resource allocation and strategic initiatives. The case of PT Avia Avian Tbk illustrates how integrating ESG principles, product innovation, and operational efficiency can create sustainable competitive advantage while offering practical lessons for companies seeking to balance profitability and sustainability in an increasingly competitive market.

METHOD

This study employed a descriptive qualitative approach using a case study method at PT Avia Avian Tbk. This approach was selected to examine the company's internal and external conditions and identify strategic factors influencing its competitive advantage (Kazemi et al., 2024; Salman & Al-Omari, 2022). The research object was PT Avia Avian Tbk, one of Indonesia's largest paint manufacturing companies engaged in the production of decorative paints, building coatings, industrial paints, and construction support products (Cheraghalizadeh et al., 2021). The company was selected based on its position as a market leader in Indonesia's decorative paint industry, stable financial performance, continuous product innovation, extensive distribution network, and implementation of environmental, social, and governance (ESG) principles to support business sustainability.

The study used secondary data obtained from reliable sources, including PT Avia Avian Tbk's 2024 Annual Report, sustainability report, publications from the Indonesia Stock Exchange (IDX), the company's official website, national and international scientific journals, business articles, and market research reports related to the paint and building coatings industry. Data were collected through documentation and literature review. The documentation process involved reviewing annual reports, sustainability reports, financial reports, official company publications, and corporate website information. The literature review involved examining academic books, scientific journals, research articles, and other relevant references related to strategic management, competitive advantage, and business environment analysis.

Data analysis was conducted descriptively using several strategic analysis tools, including PEST analysis, Porter's Five Forces analysis, industry life cycle analysis, value chain analysis, and Competitive Profile Matrix (CPM). These analytical tools were applied to evaluate the external environment, industry competition, industry position, internal value creation activities, and the competitive position of PT Avia Avian Tbk compared with its main competitors. The analysis stages included data collection, external and internal environment assessment, industry competition evaluation, identification of key factors supporting competitive advantage, and formulation of strategic recommendations to strengthen the company's sustainability and competitiveness.

RESULTS AND DISCUSSION

PORTER VALUE CHAIN

Inbound Logistics

PT. Avia Avian Tbk supplies raw materials through a combination of local and imported suppliers, particularly for specialty chemicals that are not readily available domestically. To ensure smooth production processes, PT. Avia Avian Tbk implements a centralized stock management system and integrated distribution coordination between factories and distribution centers in various regions. This approach is part of the company's vertical integration strategy, which has proven to improve production efficiency and accelerate lead times . Thus, the company has not only succeeded in reducing operational costs but also reduced the risk of disruptions to raw material supplies, making it more resilient to market fluctuations and global dynamics.

Operational

PT. Avia Avian Tbk operates with modern manufacturing facilities integrated into its research and development center, the Avian Innovation Center. The synergy between production lines and research and development enables the company to consistently deliver product innovations relevant to market needs. Throughout 2024, PT. Avia Avian Tbk launched 14 new product variants, five of which have been green labeled , in line with the growing consumer trend of concern for sustainability. The company also emphasizes operational efficiency and strict quality control at every stage of production. The result of this strategy is the ability to produce large quantities of high-quality output, while ensuring product availability according to market demand.

Outbound Logistics

The company's operational strength lies in its extensive and integrated distribution network. The company directly manages 124 distribution centers, 15 mini-distribution centers, and 38 third-party distribution outlets. To expedite delivery, Avian utilizes an inclusive distribution system equipped with specialized fleets, such as three-wheeled motorcycles, capable of efficiently reaching densely populated and remote areas. With a robust and adaptive distribution system, PT. Avia Avian Tbk is able to ensure equitable and timely product availability across various regions, including those with limited access.

Marketing & Sales

The company implements an inclusive and comprehensive marketing strategy across various market segments. This approach is realized through brand strengthening , loyalty programs such as the Avian Painter Business Club (APBC), and training for painters to improve skills and loyalty. PT. Avia Avian Tbk also actively builds direct engagement with end -users through digital networks. The marketing strategy used combines a push-pull approach , namely collaborating with contractors and architects in the B2B (business-to-business) segment, while also serving modern and traditional retail markets to reach individual consumers. One of PT. Avia Avian Tbk's flagship programs is the Blue Ocean program , which specifically targets end-consumers to encourage increased repainting frequency and strengthen customer satisfaction and loyalty. This approach is considered effective in expanding market reach and maintaining a competitive position in the national paint industry.

Service

The company actively provides excellent after-sales service as part of its strategy to increase customer satisfaction and loyalty. These services include technical training for applicators or painters, color consultations, product recommendations tailored to their needs, and support throughout the paint application process. This not only helps consumers achieve optimal painting results but also strengthens long-term relationships between the company and its customers. By providing added value through professional and responsive after-sales service , PT. Avia Avian Tbk has successfully enhanced its brand reputation and maintained its competitive edge amidst increasingly fierce competition in the paint industry.

Support Activity

a. Corporate Infrastructure

PT. Avia Avian Tbk implements a professional management structure with integrated and standardized financial oversight. Regulatory compliance is strictly maintained to ensure operations are running according to regulations. Furthermore, the company utilizes a sophisticated Enterprise Resource Planning (ERP) system to support effective performance management and monitoring, thereby increasing efficiency and transparency across all business processes.

b. Human Resource Management (HRM)

The company prioritizes human resource development. PT. Avia Avian Tbk regularly conducts internal training and competency development programs for staff to enhance their skills and performance. The company also initiated a program for painters as brand ambassadors, who play a crucial role in strengthening the brand image and expanding market reach. The focus on human resource development not only supports innovation in the company's operations but also improves the quality of service to customers, thereby creating sustainable added value.

c. Technology Development

The Avian Innovation Center plays a strategic role in supporting the development of environmentally friendly and innovative paint products. Through its research and development center, the company is able to create new products that align with market trends and consumer needs, which increasingly prioritize sustainability. Furthermore, collaborative research has also successfully increased manufacturing process efficiency, thereby supporting productivity while maintaining product quality. Thus, the Avian Innovation Center is a key pillar in strengthening PT. Avia Avian Tbk's competitiveness in the paint industry.

d. Procurement

PT. Avia Avian Tbk implements an efficient procurement system with a focus on large-volume purchases to optimally meet production needs. The company also maintains long-term relationships with suppliers to ensure a smooth supply of raw materials and price stability. Furthermore, the company adopts a vertical integration strategy to control raw material quality and lower production costs. Thus, PT. Avia Avian Tbk has successfully increased operational efficiency while maintaining high product quality standards.

Competitive Profile Matrix (CPM) PT Avia Avian Tbk

The Competitive Profile Matrix is an analytical tool that compares a company's strengths and weaknesses against its main competitors based on key success factors in a similar industry. A score is assigned to each factor based on how well the company meets that factor compared to its competitors.

Tabel 1. Competitive Profile Matrix (CPM) PT Avia Avian Tbk

Key Success Factors (KSF)	Weight	Avian	Dulux	Nippon	Jotun	Mowilex
Production scale and capacity	0.20	4	5	4	3	3
Product innovation (including environmentally friendly products)	0.15	5	4	4	3	3
Distribution network and market penetration	0.20	5	5	4	3	3
Brand and customer loyalty	0.15	5	4	3	3	2

Key Success Factors (KSF)	Weight	Avian	Dulux	Nippon	Jotun	Mowilex
Operational efficiency and production costs	0.15	4	4	3	3	2
Technology support and Research and Development (R&D)	0.10	5	4	3	3	2
ESG compliance and environmental certification	0.05	4	4	3	3	2
TOTAL SCORE	**1.00**	**4.60**	**4.30**	**3.70**	**3.10**	**2.40**

Source: Authors' analysis based on PT Avia Avian Tbk Annual Report 2024, industry reports, and relevant literature

Information:

- Score 1-5, with 5 being the best.
- The weight indicates the importance of the factor in the paint industry.

Production Scale and Capacity

PT. Avia Avian Tbk manages a large production capacity, including a new factory expansion in Cirebon with an additional capacity of 225,000 MT. This large production scale allows for cost efficiency, price control, and the ability to meet broad market demand. However, Dulux excels in terms of global scale, thanks to its ability to integrate production across countries with global supply chain efficiency.

Product Innovation and Environmental Friendliness

The company focuses on developing environmentally friendly products , such as Avitex Anti-Virus and No Drop Anti-Heat. The Avian Innovation Center also plays a key role in this innovation, meeting the needs of consumers who are increasingly concerned about sustainability.

Extensive and Integrated Distribution Network

One of PT. Avia Avian Tbk's main strengths is its extensive and robust local distribution network. With 124 owned distribution centers and a dedicated fleet, the company boasts a robust distribution network. Efficient distribution ensures products reach consumers on time, even in challenging locations. Compared to Dulux, which relies on large distributors, the company excels in last-mile delivery and access to small retail stores, bringing it closer to end consumers.

Branding and Customer Loyalty

PT. Avia Avian Tbk has high brand equity in Indonesia, particularly in the mid-market and retail segments. Loyalty programs such as APBC, handyman training, and the Blue Ocean program build direct customer engagement with the company.

Operational Efficiency and Cost Management

With vertical integration, ERP, and an internal logistics system, PT. Avia Avian Tbk excels in cost-efficient production and raw material procurement. Local production allows for better cost control compared to Dulux, which still imports some of its products. This provides a strategic advantage for the company in maintaining margins amidst price pressures.

Powerful Technology and R&D

The Avian Innovation Center serves as a hub for the development of local technologies and formulations tailored to Indonesia's climate. Research collaborations continue to accelerate new product development and manufacturing efficiency. While Dulux's global scale still excels in cross-border R&D allocation, Avian's local approach provides advantages in flexibility and rapid adaptation to domestic demand.

ESG Compliance and Environmental Certification

PT. Avia Avian Tbk has implemented an environmental management system, obtained various certifications (such as ISO), and continuously improves ESG standards as part of its sustainability strategy. Although Dulux, as a global company, has high and comprehensive ESG standards, PT. Avia Avian strives to pursue these with a measured approach aligned with national and international standards.

Strategy Generation

SWOT MATRIX

Tabel 2. SWOT Matrix PT Avia Avian Tbk

Strengths	**WEAKNESSES**
• Has the widest distribution network in Indonesia. • Innovation in green labeled products . • Production efficiency combined with logistics integration and internal manufacturing. • Strong brand image with high consumer loyalty. • Stable financial performance with a commitment to ESG principles, ISO certification, green label, and a continuously strengthened environmental management system.	• Limited expansion in the domestic market and not yet having wide market penetration internationally. • Some specialty chemicals are still imported, leaving the company vulnerable to currency fluctuations and global geopolitical risks. • Brand image is still weak in the premium segment.
OPPORTUNITIES	**THREATS**
• The growth potential in the domestic market is still quite large. • The consumer trend towards environmentally friendly products is increasing. • There is an opportunity to enter the industrial, marine and specialty coatings paint markets. • There are opportunities due to changes in consumer behavior towards online shopping and digital information.	• Fierce competition in the global market. • Fluctuations in raw material prices and exchange rates. • Weak macro economy and consumer purchasing power. • Increasingly stringent environmental regulations.

Source: Authors' analysis based on PT Avia Avian Tbk Annual Report 2024 and industry data

SPACE MATRIX

Tabel 3. SPACE Matrix PT Avia Avian Tbk

FINANCIAL STRENGTH (FS)	**Competitive Advantage (CA)**
• **Low debt ratio:** Debt to equity is only 0.08%, indicating a very healthy capital structure.	• **Superior distribution network:** 124 distribution centers, logistics fleet to the last mile.

FINANCIAL STRENGTH (FS)	Competitive Advantage (CA)
• **The 2024 Current Ratio of 6.28** decreased from 7.62 in 2023, indicating that current assets are still very strong to meet short-term liabilities. • **Positive cash flow:** Strong liquidity supports continued expansion and investment. • **FS Conclusion:** Very strong → +5	• **Local product innovation:** Green products are competitive even though global competitor innovation is still greater. • **Efficiency through vertical integration & ERP:** Prioritizing low production costs and fast response. • **Local brands are strong,** but there is still a gap in the premium segment or global tenders. • **CA Conclusion:** Competitive strength is positive but not absolute → +2
Industry Strength (IS)	**Environmental stability (ES)**
• **Steady growth:** CAGR 6–6.5% until 2032 • **Huge potential:** Per capita consumption is 4.5 kg, far below neighboring countries. • **Eco friendly usage trend :** Low VOC regulation push and environmentally conscious consumers. • **New technology:** Smart coatings and digitalization are starting to be implemented in companies. • **IS Conclusion:** Industry supports growth → +4	• **Fluctuations in prices of imported raw materials:** Significant risk of high production costs. • **Rupiah exchange rate and macroeconomics:** Vulnerable to rupiah depreciation and global conditions. • **Environmental regulations are getting stricter:** The government is enforcing SNI and heavy metal restrictions. • **Climate change and sustainability:** ESG pressures are increasing in the manufacturing sector. • **ES Conclusion:** Environmental stability is high → –4

a. **FS (+5)** & **IS (+4)** are in the very positive quadrant.
b. **CA (+2)** indicates strength, but needs improvement.
c. **ES (–4)** is the main external challenge that needs to be minimized.

The SPACE analysis results place the company in the Aggressive quadrant . This means the company needs to expand its business activities by exploiting industry growth opportunities while still managing risks arising from external factors.

BCG MATRIX

Tabel 4. BCG Matrix PT Avia Avian Tbk

QUADRANT	MARKET SHARE	INDUSTRY GROWTH	PRODUCT / SEGMENT
Cash Cows	Tall	Low	**Decorative segment (wall paint, wood, iron):** • Market share of around 24%, making the company a leader in the decorative paint industry. • Sales volume grew steadily at around 5% per year. • This segment supports strong cash flow so that it can finance the development of other segments (Stars/Question Marks).

QUADRANT	MARKET SHARE	INDUSTRY GROWTH	PRODUCT / SEGMENT
Stars	Tall	Tall	**Premium eco-friendly products & Green Label** • 14 new products launched in 2024, with 5 products having Green Label Singapore (GLS) certification • Total green certified products reached 34 SKUs, 24% of total decorative paint sales. • Demand is increasing in line with global trends and environmental regulations. • It has high long-term prospects and is the main focus of sustainable investment to continue growing and maintain its market leadership position.
Question Marks	Low	Tall	**Industrial paints & marine coatings through subsidiary Multipro.** • Still in the early stages of penetration, but in a high growth position. • Supporting segment diversification from the decorative core business. • This segment can develop into a “Star” if it succeeds in increasing its market share.
Dogs	Low	Low	**Non-core products such as sealants, instant adhesives (epoxy, lightweight brick adhesive).** • The launch of products such as economical epoxy and lightweight brick adhesive in 2024 shows diversification. • Volume and margins are relatively limited compared to core products.

Source: Authors' analysis based on PT Avia Avian Tbk Annual Report 2024 and product segment data

Strategic Recommendations

1. **Cash Cows → Stars/Question Marks:** The company should allocate cash flow from decorative products to support the development of green products and industrial paints.
2. **Stars:** Accelerating innovation of premium and green label products and leveraging eco-friendly trends.
3. **Question Marks:** Focus on market expansion through projects and industrial collaborations for industrial or marine paint products .
4. **Dogs:** Review the efficiency, margins, and relevance of non-core products. If they are not strategic, the company should conduct a review to allocate resources.
5. **Distribution & Production:** Expanding distribution and production especially at the Cirebon Factory to support availability and sales volume.

IE MATRIX

Tabel 5. IFE Matrix (Internal Factor Evaluation) PT Avia Avian Tbk

Key Internal Factors	Weight	Rating	Score
Financial strength (low debt ratio, high liquidity, strong earnings)	0.20	4	0.80
Operational efficiency and vertical integration	0.15	4	0.60
Product innovation and R&D (14 new variants, 5 green labels)	0.15	4	0.60
Extensive distribution network (124 DCs, thousands of stores)	0.15	4	0.60
Brand and loyalty (APBC, craftsman training)	0.10	3	0.30
ERP system and professional management	0.10	4	0.40
ESG compliance and environmental certification	0.10	3	0.30
Total	**1.00**		**3.60**

IFE Conclusion: The final score of 3.60 indicates a very strong internal condition.

Source: Authors' analysis based on PT Avia Avian Tbk Annual Report 2024

Tabel 6. EFE Matrix (External Factor Evaluation) PT Avia Avian Tbk

Key External Factors	Weight	Rating	Score
Paint market growth	0.15	4	0.60
Low per capita consumption, there is an opportunity for growth	0.10	4	0.40
Trend of eco-friendly products	0.10	4	0.40
the marine coatings industry segment	0.10	3	0.30
Fluctuations in raw materials and import rates	0.15	2	0.30
Fierce global competition (Dulux, Nippon)	0.15	2	0.30
ESG regulations and strict environment	0.10	3	0.30
Economic uncertainty and purchasing power	0.15	2	0.30
Total	**1.00**		**2.90**

EFE Conclusion: The final score of 2.90 indicates moderate external conditions, with significant opportunities but still possible risks.

Source: Authors' analysis based on industry reports and relevant literature

IE Matrix Placement

- **IFE = 3.60 (4–3.1):** High Strength (Internal Superior Strength)
- **EFE = 2.90 (3–2.1):** Medium External Position

The IFE and EFE positions reflect a Grow and Build strategy . PT. Avia Avian Tbk should leverage internal strengths to expand its market, develop product innovations, and adapt to environmental changes.

Strategic Recommendations Based on IE Matrix

1. **Strengthening Premium Products and Green Label**

Companies should increase the penetration of green label products with marketing support and consumer education, as well as expand distribution to large project segments and modern retail.

2. **Expanding the Industrial and Marine Coatings Segments**

Companies should integrate Multipro Paint by strengthening B2B channels, technical certification, and dedicated after-sales services .

3. **Raw Material and Foreign Exchange Risk Management**

PT. Avia Avian Tbk should start implementing hedging strategies and establishing long-term partnerships to stabilize the supply of raw materials and the prices of their products.

4. Optimizing Digital Marketing & E- -commerce

Implementing smart coatings , digital artisan platforms, and improving e- -commerce systems to respond to changing consumer behavior.

5. Strengthening ESG Compliance and Certification

Companies must focus on obtaining international certifications and improving energy efficiency to meet regulations and enhance their reputation in the global market.

CONCLUSION

PT Avia Avian Tbk is a leading paint and coatings company in Indonesia with a dominant market position and strong competitive capabilities. The company's main advantages lie in its extensive distribution network, vertical integration, continuous product innovation, and operational efficiency. PT Avia Avian Tbk has also actively developed environmentally friendly products and adopted modern marketing strategies targeting various market segments, including business-to-business (B2B) and business-to-consumer (B2C) markets. Overall, the strategic analysis results indicate that the company possesses strong competitive capabilities within a growing industry, supporting the implementation of aggressive growth and differentiation strategies.

Based on the findings of this study, several recommendations are proposed. First, PT Avia Avian Tbk should continue strengthening product innovation, particularly in the green label segment, to capitalize on increasing consumer demand for environmentally friendly products. Second, the company should expand its market penetration into industrial and marine coatings segments through its subsidiary, Multipro, while strengthening B2B channels and technical certification capabilities. Third, to mitigate risks associated with raw material price fluctuations and exchange rate volatility, the company should implement hedging strategies and establish long-term partnerships with suppliers. Fourth, PT Avia Avian Tbk should optimize its digital marketing strategies and e-commerce platforms to adapt to changing consumer behavior. Finally, the company should maintain its commitment to environmental, social, and governance (ESG) principles and pursue internationally recognized certifications to enhance its reputation and competitiveness in the global market.

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