

PROPOSE BUSINESS STRATEGY DURING ECONOMIC DOWNTURN IN STORAGE TANK SERVICE PROVIDER TO GAIN BACK MARKET SHARES: CASE STUDY AT PT VICTORY TERMINAL MERAK

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Abstract

PT Victory Terminal Merak, a subsidiary of a global storage tank provider headquartered in the Netherlands, has played an important role in supporting Indonesia's trade and energy infrastructure through its terminal operations in Merak region. For the past 5 years, the company has been facing challenges caused by the global pandemic (COVID-19) and the subsequent global economic downturn triggered by geopolitical tensions and inflations. These external factors have immensely affected operational efficiency, customer retention, and revenue performance. Despite positive growth projections in the Asia Pacific oil and gas storage market, PT Victory Terminal Merak has not been able to fully leverage these opportunities due to outdated commercial strategies and a centralized decision-making structure from the regional office in Singapore. This thesis explores the underlying factors contributing to the terminal's declining competitiveness, focusing on its sales, and marketing approach, which has not been pacing with evolving customer expectations and local market dynamics. Drawing on a combination of qualitative insights and quantitative findings, this research identifies key internal inefficiencies and external market pressures while introducing a revised commercial direction tailored to the Indonesian context, emphasizing customer-centric practices, greater operational agility, and a cultural shift toward continuous improvement.

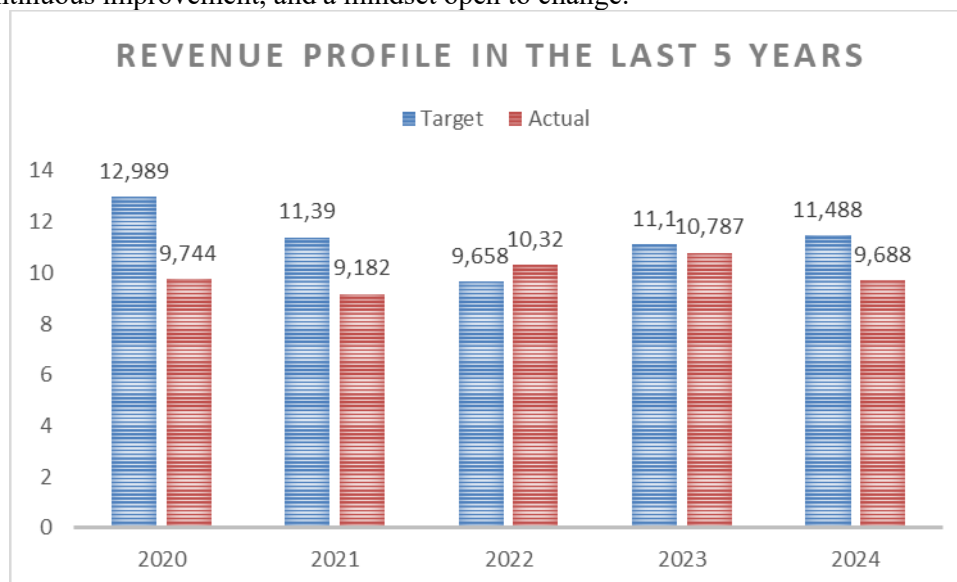
Keywords: *Market Competitiveness, Business Strategy, Storage Tank, Chemical, Customer Behavior, Economic Downturn.*

INTRODUCTION

The storage tank services industry plays an integral role in the global supply chain, enabling the efficient management and storage of large volumes of liquid bulk materials such as petroleum products and industrial chemicals. Over the past decade, the industry has undergone substantial transformation, shaped by economic volatility, continuous technological advancements, and changing consumer requirements. In the Asia Pacific region, the oil and gas storage tank market were valued at approximately USD 3.72 billion in 2023 and is projected to grow to USD 5.80 billion by 2029, reflecting a compound annual growth rate (CAGR) of 7.53%. This upward trend is primarily driven by rising energy consumption, accelerated industrial development, and the proliferation of infrastructure initiatives throughout the region.

The global economy has faced considerable strain in recent years, particularly due to the impacts of the COVID-19 pandemic and ongoing geopolitical tensions. These events have disrupted industrial activity and led to a drop in demand for chemical products, resulting in unstable pricing across the sector. As a result, many companies have found themselves needing to revisit and adjust their commercial strategies not only to stay competitive but also to better withstand the uncertainties of a rapidly changing market environment. In Indonesia, the liquid bulk storage sector plays a vital role in supporting the nation's trade and energy industries. PT Victory Terminal Merak, once a leading operator in the Merak region, is currently facing a number of challenges shaped by broader economic pressures. A key concern lies in the need to develop a renewed marketing and sales strategy to recover lost market share. The company has recognized shortcomings in both its commercial approach and operational efficiency, which have weakened its competitive standing. Customer preferences in selecting a storage tank provider have shifted, and Victory's existing strategies have struggled to keep pace with these changes.

These challenges became more pronounced during and after the onset of the COVID-19 pandemic in 2020, which, coupled with subsequent economic downturns, exposed structural weaknesses in the company's strategic framework. Notably, strategic direction has been largely centralized under Victory's regional management based in Singapore, which oversees terminal operations across Asia and the Middle East. While the difficulties are most evident at the Merak Terminal, they reflect wider issues facing the industry across Southeast Asia namely, intense competition and heightened price sensitivity. Reversing the decline in market share and restoring customer confidence will require more than just operational improvements. It calls for a shift in organizational culture towards adaptability, continuous improvement, and a mindset open to change.



Source: Author, 2025

Figure 1. Revenue Profile of VTM in the last 5 years Target vs Actual

The global economic slowdown brought on by the COVID-19 pandemic and rising geopolitical tensions has made the challenges facing the storage tank services industry even more difficult to navigate. With industrial activity slowing down and demand for key chemicals falling, the sector has experienced sharp price fluctuations and periods where storage facilities were underutilized. For many companies, this has underscored the need to become more responsive to local economic conditions, shifting regulations, and growing competition. While these global issues set the stage, each region experiences them differently. In places like Merak, Indonesia, local players are feeling the pressure more directly and are now rethinking their market strategies to stay relevant and competitive in a rapidly changing environment.

Royal Victory N.V., based in Rotterdam, the Netherlands, has grown into the world's largest independent tank storage company, with a legacy that spans over four centuries. Over the years, the company has developed a strong foundation in storing and handling a wide variety of bulk liquids, from oil and chemicals to LNG, biofuels, and vegetable oils. As part of its efforts to expand in Asia, Royal Victory set up PT Victory Terminal Merak to establish a stronger foothold in Indonesia and the broader Southeast Asian region. This began in 2008 when the company acquired a 95% stake in PT Pro-Intercontinental Terminals Indonesia (Prointal) from Mitsui & Co. The terminal was later renamed Victory Terminal Merak. The terminal's location in Merak, Banten Province, West Java, offers a strategic advantage it sits along a major shipping route for bulk liquid chemicals and is close to one of Indonesia's largest clusters of petrochemical facilities. PT Victory Terminal Merak's strategic location positions it as a key player in supporting Indonesia's petrochemical sector, offering important storage and handling services for bulk liquid products.

In 2020, PT Victory Terminal Merak undertook a strategic expansion in accordance with its business plan, increasing its storage capacity by an additional 50,000 CBM. However, the same year marked the onset of the COVID-19 pandemic, which triggered a global economic downturn and posed significant challenges for the chemical industry worldwide. These conditions intensified market competition, suppressed demand for storage services, and contributed to a notable decline in both occupancy rates and revenue over the subsequent five years. As a result, the company faced increasing difficulty in meeting its earnings targets, which adversely affected its competitiveness and overall profitability. Since the expansion representing a 70% increase in capacity the utilization rate of the storage

tanks has steadily fallen, dropping to below 50% of the total 130,400 CBM capacity over the past five years, as illustrated in the figures below:

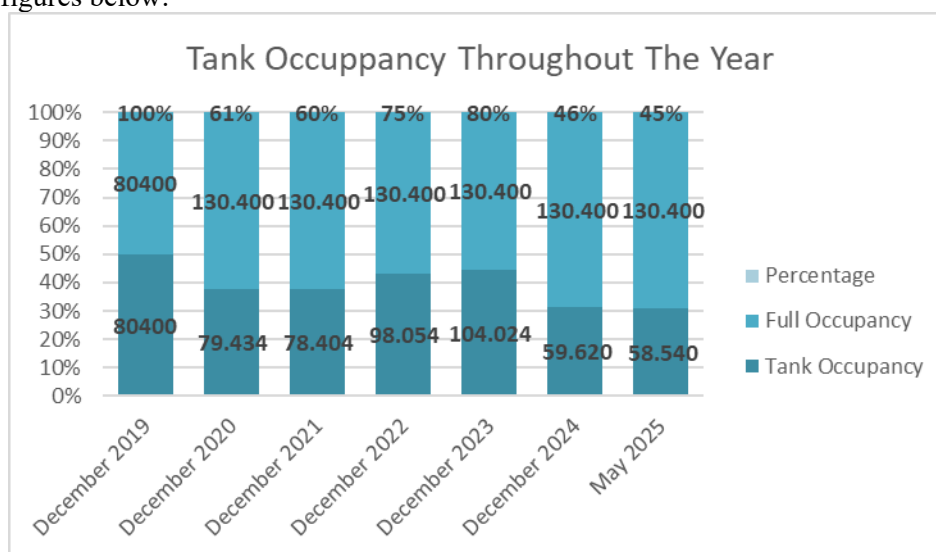


Figure 2. Tank Occupancy Profile of VTM in the last 5 years

In the current fiscal year, Victory's regional revenue target is set at USD 8.40 million. However, as of April, PT Victory Terminal Merak (VTM) is facing a year-to-date revenue shortfall of approximately USD 256,000. If this trend continues, the projected annual deficit could reach USD 768,000 representing a 9.14% deviation from the initial revenue target. Considering both the company's operational context and the broader insights drawn from a PESTEL analysis, a SWOT analysis serves as an effective framework for summarizing the internal capabilities and external challenges faced by the organization.

LITERATURE REVIEW

The Marketing Strategy

Value-based marketing is a strategic, customer-centric approach that emphasizes enhancing the perceived value of products or services to increase satisfaction and foster loyalty (Battisti et al., 2020; Jenneboer et al., 2022). Instead of focusing solely on features or price, it aligns offerings with what customers truly value, sometimes at the expense of short-term profits. Edmans (2021) notes that value can be improved without raising costs, which is crucial in competitive markets where consumers weigh benefits against sacrifices like time or money (Amoako, 2019). This strategy supports marketing's broader goal of connecting the right products with the right audiences (Slater et al., 2010; Theodosiou & Leonidou, 2003; Morgan & Hunt, 1999), often through market segmentation and tailored messaging (Li et al., 2021). Effective implementation also depends on interdepartmental coordination, cultural alignment, product and service quality (Ferrell et al., 2021; Xiao & Zhang, 2021), competitive analysis, and setting SMART goals to ensure strategic execution and adaptability in evolving markets.

Customer Experience

Customer experience (CX) has become a critical component of modern business strategy, encompassing the full scope of a customer's journey including emotions, expectations, and satisfaction before, during, and after a purchase (Kokins et al., 2021). Cambra-Fierro et al. (2021) highlight the importance of consistent, meaningful interactions across all touchpoints, from website visits to customer service and delivery, as each moment shapes brand perception and loyalty. Organizations that prioritize CX leverage real-time feedback and customer data to adapt and enhance service quality. Keiningham et al. (2017) identify five dimensions of CX cognitive, physical, sensory, emotional, and social that help businesses design more holistic engagement strategies. In an experience-driven economy, Keiningham et al. (2020) stress that delivering consistent, high-quality CX is vital for growth, customer retention, and maintaining a competitive edge.

Customer Journey

The Understanding the customer journey is another critical aspect of modern business strategy. This concept reflects how customers interact with a product or service from initial awareness to post-purchase feedback. More than a series of transactions, it's a map of experiences, emotions, and decisions that shape brand perception (Følstad

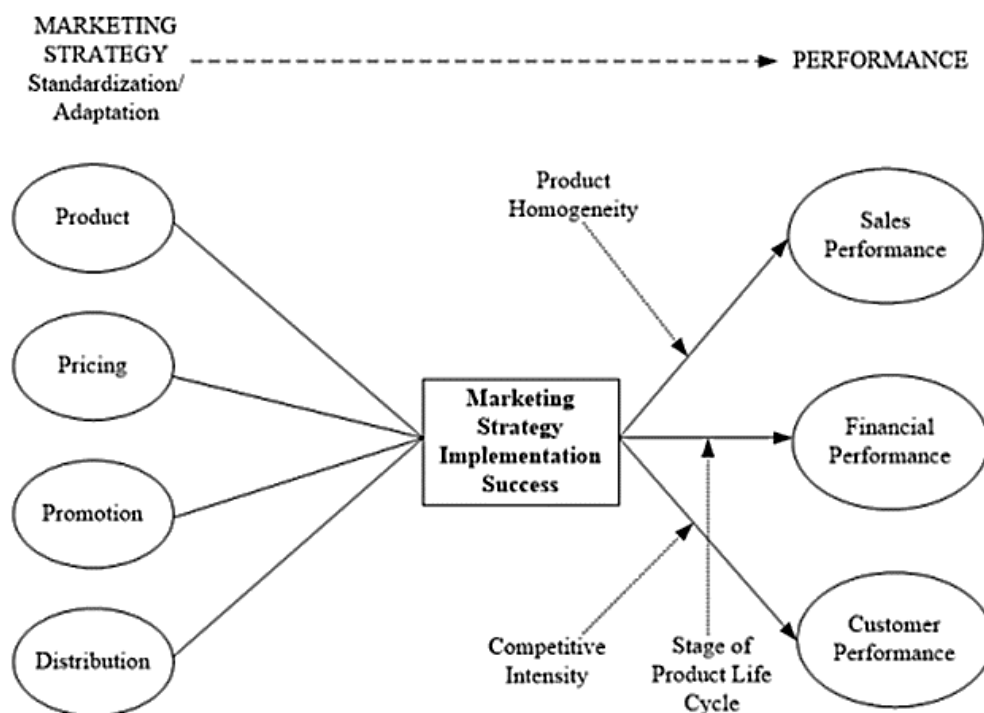
& Kvale, 2018). One widely used tool to analyze this journey is customer journey mapping. This approach visualizes the full range of touchpoints customers encounter highlighting moments of friction as well as opportunities for engagement (Rosenbaum et al., 2017). By analyzing these touchpoints, companies can identify where experiences fall short and take targeted actions to improve them. Each stage offers businesses a chance to influence customer perception. A well-managed journey not only enhances satisfaction but also transforms customers into promoters through reviews, word-of-mouth, and social media. In today's competitive environment, where customer expectations are constantly rising, companies that manage their customer journeys proactively are better positioned to foster loyalty, build trust, and sustain long-term success.

Porter's Value Chain Analysis

Porter's Value Chain Analysis, introduced by Michael Porter, offers a structured approach to understanding how individual activities within a business contribute to its overall value and competitive advantage. The model breaks down business functions into two categories: primary activities such as inbound logistics, operations, outbound logistics, marketing and sales, and customer service and support activities, including infrastructure, human resources, technology development, and procurement. By examining these components in detail, companies can pinpoint where value is added or where inefficiencies might be eroding it. What makes this framework particularly valuable is its ability to connect internal operational details with broader strategic objectives. Whether a business is pursuing cost leadership, differentiation, or a hybrid strategy, the value chain provides a practical lens for aligning internal capabilities with market demands and long-term goals.

Conceptual Framework

In the context of this research, the conceptual framework is built around the relationship between marketing strategy implementation and business performance. Understanding how strategic marketing decisions influence real-world business outcomes is central to this study. A well-executed marketing strategy doesn't just operate in theory it has tangible impacts on customer satisfaction, revenue generation, and long-term competitiveness. The framework used here integrates both theoretical perspectives and practical business concerns, particularly as they relate to the challenges faced by PT Victory Terminal Merak. It provides a roadmap for analyzing how internal strategies such as customer experience enhancement or service differentiation can drive measurable improvements in performance. A visual representation of this framework will be provided in the following section to illustrate the key relationships explored in this research.



Source: (Saif, 2015)

Figure 3. Conceptual Framework

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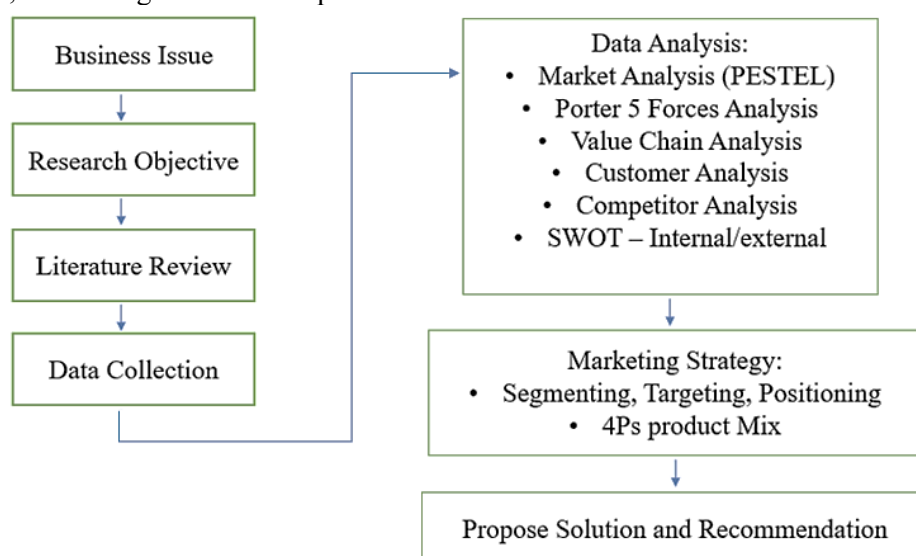
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This research examines four strategic parameters that significantly impact business performance: product, pricing, promotion, and distribution. For PT Victory Terminal Merak (VTM), understanding customer needs is vital for developing relevant and differentiated products that address specific pain points and enhance market competitiveness. A strategic pricing approach requires analyzing competitor behavior and customer price sensitivity to ensure a sustainable price-to-value ratio. In B2B contexts like VTM's, promotion must be targeted, credible, and aligned with industrial client needs to effectively boost awareness and market penetration. Lastly, distribution strategy involves selecting optimal delivery models whether through direct sales, third-party distributors, or logistics partnerships while considering geographic and regulatory factors to ensure efficient and compliant market reach.

METHOD

This research integrates several strategic analytical tools to comprehensively assess both internal operations and external market dynamics. It employs the PESTEL framework (Rothaermel, 2017) to examine political, economic, social, technological, environmental, and legal factors that influence company performance and strategic preparedness. To evaluate industry competition, the research uses Porter's Five Forces (Porter, 1980; Thompson et al., 2013), offering insights into buyer and supplier power, competitive rivalry, and threats from new entrants and substitutes. Internally, Value Chain Analysis (Porter; Tradi, 2002) is applied to identify inefficiencies and enhance value delivery by examining primary and support business activities. Customer Analysis, informed by insights from Simon-Kucher & Partners, is used to understand behavior, preferences, and engagement patterns, enabling targeted strategies and retention efforts. Competitor Analysis, as emphasized by Kotler (2003), helps monitor rival strategies and uncover differentiation opportunities. Additionally, SWOT Analysis (Longsheng et al., 2022; Cheng et al., 2021) provides a clear, adaptable framework to identify internal strengths and weaknesses along with external opportunities and threats. Finally, the Product Mix or 4Ps model (McCarthy, 1960; Borden; Culliton) guides marketing strategy through coordinated focus on product, price, place, and promotion. Together, these tools offer a robust foundation for strategic planning and competitive positioning.

This research employs a comprehensive strategic and methodological framework to ensure depth and accuracy in understanding business dynamics. The Segmenting, Targeting, and Positioning (STP) model, as outlined by Kotler & Armstrong (2017), is utilized to divide the market into distinct segments, identify the most promising targets, and position the product effectively in the minds of consumers. For data collection, the study relies on primary data obtained through in-depth interviews with 20 participants including five former customers, five current customers, five shipping agents, and five transporters allowing for diverse stakeholder insights (Kabir, 2016). The data analysis adopts a qualitative research approach (Creswell, 2013), emphasizing human experiences and real-world perspectives. Within this framework, qualitative content analysis, as described by Patton (2002), is applied to systematically interpret interview data, identify themes, assess emotional responses, and draw meaningful patterns from textual content. Together, these tools enable the research to derive actionable insights into customer behavior, service perception, and strategic business improvements.



Source: Author, 2025

Figure 4. Research Design

RESULTS AND DISCUSSION

PESTEL Analysis

PT Victory Terminal Merak (VTM) operates in a complex environment influenced by various PESTEL factors. Politically, supportive infrastructure policies and foreign investment in Indonesia benefit VTM, though navigating regional regulations is essential. Economically, global trends like oil price fluctuations and currency volatility impact its operations and planning. Socially, community engagement, safety, and environmental responsibility are key to maintaining public trust and a positive reputation. Technologically, VTM must invest in automation, cybersecurity, and digital systems to stay competitive and compliant. Environmentally, strict regulations and climate-related risks demand robust sustainability and resilience strategies. Legally, adherence to Indonesian and international laws is critical, especially during expansion, requiring proactive legal management to avoid operational and financial risks.

Factor		Analysis
P	Political	Stricter Indonesian regulation on environmental safety and storage facilities
E	Economic	Reduced industrial activity and demand for storage due to global economic slowdown
S	Social	Increasing emphasis on sustainability and corporate responsibility by customers
T	Technological	Competitors adopting automation and advanced analytics for process optimization
E	Environmental	Growing importance of compliance with global environmental standards
L	Legal	Enhanced safety and operational standards mandated by international and local regulations

Figure 5. PESTEL Analysis

Porter Five Forces Analysis

PT Victory Terminal Merak (VTM) faces significant competitive pressures as revealed by the Porter Five Forces analysis. The threat of new entrants is high due to competitors investing in modern infrastructure and offering streamlined, digitized services, exposing VTM's internal inefficiencies. The power of suppliers is also high because of VTM's reliance on outsourced services like tank cleaning, leading to higher costs and slower response times compared to competitors with in-house capabilities. The power of buyers is notably high, as clients demand lower prices, faster service, and greater transparency factors where VTM has underperformed, prompting customer attrition. While the threat of substitutes remains low, it is growing with the rise of pipeline networks, decentralized storage, and JIT logistics models that offer customers more flexibility and lower dependency on terminal storage. Lastly, rivalry among existing competitors is moderate but intensifying, with nearby terminals offering better pricing, simpler procedures, and superior integration with industrial areas. To regain market share, VTM must invest in infrastructure upgrades, internalize key services, digitize operations, and enhance customer engagement.

Value Chain Analysis

The Value Chain Analysis of PT Victory Terminal Merak (VTM) highlights both strengths and critical areas for improvement in maintaining competitiveness. While VTM benefits from a strategic location, strong safety standards, and solid infrastructure, inefficiencies particularly from outsourcing tank cleaning undermine cost effectiveness and operational flexibility. Inbound and outbound logistics suffer from scheduling delays and lack of real-time tracking, which affect customer satisfaction. Operational excellence is hindered by reliance on third-party services, while marketing must shift focus toward relationship management and tailored solutions in response to rising customer expectations. Supporting activities such as procurement, technology development, and human resource management require strategic enhancements especially in digital tools, staff training, and vendor optimization. By internalizing key services, digitizing processes, and aligning infrastructure with cost and responsiveness goals, VTM can strengthen its value proposition and regain a competitive edge.



Figure 6. Value Chain Analysis

Customer Analysis

Based on research and direct interviews, Victory Terminal Merak (VTM) serves a niche market of multinational and domestic companies in chemicals, petrochemicals, and biofuels, with customers segmented into chemical manufacturers, commodity traders, and renewable energy companies. These clients prioritize safety compliance, cost efficiency, strategic location, operational flexibility, and digital integration. Decision-making typically rests with senior procurement managers, supply chain directors, or regional heads of logistics within the

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customer organization who value track record in reliability and safety, technical capability, reliability, service customization, Strategic partnerships, Benchmarking against competitors' offerings, and Cost of service versus value delivered. VTM faces challenges such as customer cost sensitivity and competitive disadvantages due to outsourcing tank cleaning. However, opportunities lie in internalizing critical services, enhancing digital offerings, and targeting emerging segments like biofuels and specialty chemicals to better align with market trends and client expectations.

Competitor Analysis

Victory Terminal Merak (VTM) operates in a competitive landscape that includes both foreign and local rivals, with PT Dover Chemical standing out as a key foreign competitor offering cost-effective, agile services backed by strong local ties, though lacking in advanced digitalization and safety credentials compared to VTM. Local competitors such as PT Redeco Petrolin Utama, PT Bumi Merak Terminalindo, PT TBT Terminal Merak, PT Linc Terminal, PT Baria Bulk Terminal, PT AKR Corporindo Tbk. which affiliated with manufacturing or trading firms, granting them steady internal demand, cost efficiencies, and operational synergies. In contrast, VTM's position as the only fully independent terminal in Merak provides it with commercial flexibility and neutrality valued by multinational clients, but it also results in higher operational costs and revenue volatility due to outsourced services and lack of captive volumes. While affiliated terminals may prioritize in-house needs and offer limited access to third parties, their position as a company which storage tank is not their core business could give them the ability to drive the market price to a very low point only to gain higher tank occupancy. Leaving VTM with both challenges and opportunities to differentiate itself through compliance, neutrality, and service improvements.

Victory Terminal Merak (VTM) holds a strategic advantage as an independent terminal, allowing it to attract high-compliance international clients and those seeking neutral infrastructure free from competitor affiliations. This positioning creates opportunities to serve niche markets such as green fuels, bio-chemicals, and digitally integrated logistics. However, the lack of a captive customer base and reliance on outsourced services like tank cleaning pose risks related to cost competitiveness and revenue stability. To mitigate these challenges, VTM should internalize critical operations, establish long-term contracts with chemical importers and exporters, and enhance its digital capabilities to improve transparency, customer experience, and operational efficiency.

Dimension	Independent (Vopak)	Affiliated Terminals
Market Neutrality	☑ Fully open, unbiased services	✗ Preferential access for internal/affiliated use
Client Diversity	☑ Serves multinationals, traders, non-affiliate	☑ Serves multinationals, traders, non-affiliates
Operational Synergy	✗ Outsourced support increases cost	☑ Strong synergy with processing/logistics plants
Pricing Flexibility	✗ Higher cost passed to customer	☑ Competitive due to internal cost efficiency
Resilience to Downturn	☑ Diversified exposure to many industries	☑ Diversified exposure to many industries
Reputation/Compliance	☑ High global safety & compliance standards	⚠ Varies by operator, sometimes secondary to plant operations

Figure 7. Strategic Comparison Table on the Independency Factor

SWOT Analysis

The SWOT analysis for VTM highlights its strengths such as being backed by Royal Victory's global network, offering credibility and strong international relationships, high safety and environmental compliance standards (ISO, OHSAS, etc.), advanced technological infrastructure including VTOS systems, automated tank monitoring, and real-time inventory systems, being strategically located in Merak near key industrial and petrochemical hubs, and having experienced personnel trained to handle hazardous chemicals and complex logistics. Its weaknesses include higher operating costs due to adherence to global standards and advanced systems, being less price competitive than other storage tank provider, dependence on multinational clients which could expose the terminal to global economic cycles, and limited flexibility in contract structuring compared to smaller, local terminals. Opportunities identified are growing demand for chemical storage in Indonesia due to industrialization and energy transition, potential to offer value-added services like product blending, heating, nitrogen blanketing, etc., government push for safer, more environmentally friendly infrastructure aligns with Victory's strengths, and potential partnerships or acquisitions to expand local footprint. The threats include increasing competition from more agile and lower-cost local terminals (e.g., Bumi Merak Terminalindo), regulatory changes in Indonesia affecting foreign ownership or operating permits, volatility in chemical markets affecting terminal throughput and storage needs, and rising environmental scrutiny and potential fines if compliance gaps emerge.

Table 1. SWOT analysis of PT Victory Terminal Merak

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Strengths	Weaknesses
<ul style="list-style-type: none"> - Strategic location - Part of Royal Vopak's global network - Strong safety and environmental compliance 	<ul style="list-style-type: none"> - Inefficient internal processes - Limited adoption of automation - High operational costs
Opportunities	Threats
<ul style="list-style-type: none"> - Growth in demand for sustainable liquid bulk - Expansion into renewable energy storage 	<ul style="list-style-type: none"> - Intense regional competition - Economic downturn impacting client industries

Business Solution

The business strategy for Victory Terminal Merak (VTM) focuses on differentiation, divided into two parts: the 4Ps of marketing mix and Segmenting, Targeting, and Positioning (STP). VTM serves specialized industries like chemicals, petrochemicals, and resins, with clients segmented by industry, service needs, geography, and sensitivity to price or quality. The targeting strategy prioritizes both quality-sensitive industrial players and price-sensitive clients under economic pressure, including those dissatisfied with competitors. VTM is positioned as a premium service provider, valued for safety and reliability, though challenged by internal inefficiencies, communication issues, and high pricing. The product strategy emphasizes core services like bulk liquid handling, supported by VTOS, fast customer support, and strong safety measures, but is hindered by infrastructure and administrative limitations. Pricing is premium but invites client dissatisfaction, requiring models like volume discounts and performance-based pricing. Geographically, VTM benefits from its location near Jakarta but faces constraints from limited jetty capacity. Promotion relies on reputation and relationships but needs enhancement through digital presence, targeted campaigns, and customer education to reinforce VTM's value proposition in safety, transparency, and service quality.

Implementation and Justification

To justify and support business growth plan for Victory Terminal Merak (VTM), the RWW (Real, Win, Worth) framework confirms the strategy is viable, competitive, and financially beneficial. The market opportunity is real, with clear customer demand for safe, efficient storage and feedback indicating a need for improved communication, pricing, and flexibility. VTM can win through its strong industry reputation, existing systems like VTOS, and by leveraging opportunities such as pricing adjustments, infrastructure expansion, and exploiting competitor weaknesses. The strategy is worth pursuing due to its high financial return potential, ability to restore lost revenue, and strategic value from infrastructure and digital upgrades. Long-term worth is high, as failing to act risks customer attrition and reduced pricing power. Key drivers of growth include pricing flexibility, infrastructure expansion, VTOS enhancement, improved communication, and re-engagement of lost accounts. Overall, the RWW framework confirms VTM's business growth opportunity is real, winnable, and worth the investment, paving the way for sustainable growth, customer satisfaction, and stronger market position.

Table 2. Growth Projection 3 years ahead plans

Metric	Current (2024)	Year 1 (2025)	Year 2 (2026)	Year 3 (2027)
Customer Retention Rate	75%	82%	88%	92%
Revenue Growth	Baseline	+8%	+12%	+15%
Market Share	Declining	Stabilized	+5% recovery	+8% recovery
Net Promoter Score (NPS)	Mixed (Neutral-Positive)	+10 pts	+20 pts	+25 pts
Loss Rate	~25%	<20%	<15%	<10%

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Below are detailed Implementation Plan to Grow Victory Terminal Merak (VTM)'s Business, structured across six key strategic pillars aligned with findings from customer feedback, churn analysis, and market positioning. Phase 1 (Q3–Q4 2024): Foundation includes launching pricing review and discount framework, beginning VTOS enhancement planning, conducting churn interviews and lost client profiling, and forming an infrastructure expansion task force. Phase 2 (2025): Execution involves implementing new pricing and loyalty models, rolling out CS responsiveness protocols and SLA systems, beginning jetty/shelter construction, conducting campaigns to regain churned customers, and expanding marketing into new regional clusters. Phase 3 (2026–2027): Consolidation and Growth focuses on commissioning new infrastructure (e.g., jetty), finalizing VTOS upgrades, scaling up successful regional expansions, evaluating NPS, loss, and margin impact, and optimizing based on feedback loop.

CONCLUSION

PT Victory Terminal Merak (VTM), as part of Royal Victory's global network, plays a strategically vital role in Indonesia's logistics and chemical storage infrastructure. However, this research has revealed that VTM has experienced a prolonged decline in market share and customer retention due to a convergence of internal inefficiencies and external market pressures exacerbated by the COVID-19 pandemic and global economic downturn. The company's challenges include operational bottlenecks, a premium pricing strategy unmatched by service delivery, centralized decision-making with limited local responsiveness, and inadequate customer engagement mechanisms. The study found that VTM's value proposition centered on high safety standards, advanced technology (VTOS), and strategic location is no longer sufficient on its own to retain increasingly price-sensitive and service-demanding clients. Competitors, both local and foreign, have capitalized on these service gaps through cost-effective operations, simpler administrative procedures, and integrated service models. VTM's outsourced tank cleaning operations, limited jetty capacity, and slow administrative responses were repeatedly cited by both current and former customers as core reasons for dissatisfaction. VTM is on burning platform, "business as usual" is no longer an option. Market conditions, competitor pricing, and services issues are eroding VTM's premium pricing. Price sensitivity also becomes the dominant factor during challenging economic periods. While competitors with company affiliation benefit from potentially higher capacity utilization. Nevertheless, the research concludes that VTM can reverse its market decline and position itself for sustainable growth. By adopting a more customer-centric approach, investing in infrastructure and digital upgrades, optimizing its pricing strategy, and decentralizing some of its decision-making, the company has a strong opportunity to reengage lost clients, boost retention, and strengthen competitiveness in a demanding market.

This study proposes a six-pillar strategic roadmap for Victory Terminal Merak (VTM) to be implemented over three years: (1) Pricing Optimization through dynamic models, competitor benchmarking, transparent communication, and flexible adjustment formulas; (2) Operational Excellence by enhancing VTOS, internalizing tank cleaning, establishing SLA systems, and improving organizational alignment; (3) Infrastructure Expansion with new jetty construction, handling capacity increase, weatherproofing, and long-term client targeting; (4) Customer Experience Transformation via a 24/7 care line, proactive communication, and NPS-based feedback improvement; (5) Market Diversification through bundled logistics services; and (6) Reacquisition of Lost Clients through win-back campaigns, customer health tracking, and intense re-engagement. The study concludes that VTM's safety record alone can no longer justify premium pricing amid evolving client expectations and competitor advances. To regain market share, VTM must invest in infrastructure, digital systems, and internal culture—focusing on agility, accountability, and innovation to become a top-tier terminal operator in Indonesia's logistics sector.

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