

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim^{1*}, Ridlwan Muttaqin², Ezra Karamang³

^{1*,2,3} Manajemen, Universitas Indonesia Membangun, Bandung, Indonesia

Email: anes.salim@student.inaba.ac.id^{1*}, ridlwan.muttaqin@inaba.ac.id², ezra.karamang@inaba.ac.id³

Received : 01 October 2025

Published : 02 January 2025

Revised : 15 October 2025

DOI : <https://doi.org/10.54443/ijebas.v5i6.4909>

Accepted : 16 November 2025

Link Publish : <https://radjapublika.com/index.php/IJEBAS>

Abstract

This study aims to analyze the business sustainability strategy of PT Sandang Jaya Abadi after the merger with SGJB Group in facing competition in the baby garment industry in Bandung. This study uses a qualitative descriptive method through interviews, observations, and company document studies. The analysis was conducted using the PESTEL and Porter's Five Forces models to assess the external conditions of the industry, as well as the IFE and EFE matrices to identify the company's internal and external factors. Furthermore, SWOT and TOWS were used to formulate alternative business sustainability strategies, and the Business Model Canvas was used to describe the company's post-merger business model. The results show that the company has strengths in production flexibility and stable product quality, but weak digital integration, high COGS, and post-merger operational coordination are the main obstacles. Opportunities come from increasing demand in e-commerce and local product trends, while threats arise from cheap imported products and price competition. Recommended strategies include production cost efficiency, operational system digitization, strengthening quality control, and optimizing digital-based marketing. This study is expected to serve as a reference for management in determining the direction of future business development strategies.

Keywords : PESTEL, Porter's Five Forces, SWOT, TOWS, BMC

1. INTRODUCTION

The garment industry is a manufacturing sector that makes a significant contribution to the Indonesian economy, particularly as a labor absorber and export driver. However, in recent years, this industry has faced significant pressure due to increasing imports of low-cost apparel, fluctuating raw material prices, and shifts in consumption patterns toward digital platforms. Previous research indicates that local garment companies need to strengthen their competitiveness through internal efficiency, digital adaptation, and business model innovation (Wulandari, 2024). One structural strategy adopted by companies to maintain competitiveness is mergers. However, the success of a merger depends heavily on the effectiveness of internal integration and business continuity strategies implemented after the merger of organizational structures (Tarisa Aulia Ananda et al., 2023). In the context of MSMEs and the medium-scale textile industry, a comprehensive strategic analysis is essential to ensure successful integration, cost efficiency, and improved coordination post-merger (Muttaqin, 2020); (Lestari, F., & Muttaqin, R, 2024).

PT Sandang Jaya Abadi (SJA) is a baby garment company that merged with the SGJB Group in 2023. Prior to the merger, SJA focused on production, while SGJB handled marketing and distribution. The merger of these two units is expected to create synergy, strengthen marketing-production coordination, reduce operational costs, and expand market share. However, initial findings indicate that the company still faces several challenges, such as high production costs, limited machine capacity, suboptimal digitalization processes, and competitive pressure from imported products. In addition to internal challenges, the company also needs to consider constantly changing external conditions, such as the dynamics of the e-commerce market, intense competition in the marketplace, and the relatively high bargaining power of textile raw material suppliers (Siregar, 2023); (Handojo et al., 2024). This external factor assessment can be mapped through PESTEL and Porter's Five Forces analysis to understand the company's overall competitive position. Previous research on MSME strategies and the garment industry shows that the use of SWOT, TOWS, and Business Model Canvas (BMC) is effective in formulating appropriate strategies in

dynamic competitive conditions (Mulyana & Muttaqin, 2024) ; (Wijaya, 2019) ; (Putra et al., 2025) . However, there are not many studies that specifically examine post-merger sustainability strategies in local baby garment companies.

2. LITERATURE REVIEW

2.1 Strategic Management

Strategic management is a systematic process for analyzing internal and external factors, formulating strategies, implementing them, and evaluating organizational performance (Wijaya, 2021) . This process ensures a company's ability to adapt to rapid environmental changes and maintain a competitive advantage. In the context of MSMEs and the garment industry, strategic management is necessary to address limited production capacity and competitive pressures (Mulyana & Muttaqin, 2024) .

2.2 Resource-Based View (RBV)

RBV theory emphasizes the importance of internal resources that have the characteristics of valuable, rare, inimitable, and organized (VRIO) as the basis for building sustainable competitive advantage (Barney & ., 1991) . In the garment industry, product quality, workforce experience, production capabilities, and relationships with suppliers are strategic resources that greatly determine competitiveness. PESTEL analysis is used to understand the political, economic, social, technological, environmental, and regulatory factors that influence industry performance. Previous research has noted that fluctuations in raw material prices, import policies, and marketing digitalization are the main external factors affecting the garment industry (Adianti et al., 2025 ; Siregar, 2023) .

2.4 Porter's Five Forces

Porter's model is used to assess the level of industry competition through five forces:

1. threat of new entrants,
 2. bargaining power of suppliers,
 3. buyer bargaining power,
 4. threat of substitution,
 5. The intensity of industrial competition (Handojo et al., 2024) .
- In the baby garment industry, competition is very tight due to the large number of cheap imported products from China and increased competition in the marketplace.

2.5 SWOT and TOWS Analysis

SWOT is used to identify internal factors (strengths and weaknesses) and external factors (opportunities and threats). TOWS allows companies to formulate strategies based on a combination of these factors. This approach has proven effective in developing MSMEs and the textile industry (Lestari & Muttaqin, 2024; Darmawan et al., 2024).

2.6 Business Model Canvas (BMC)

The BMC is a visual tool for mapping an organization's business model through nine key elements. The BMC is often used to help companies design business strategies, innovate business models, and evaluate elements that need improvement (Candradiningrat et al., 2021; Solehah et al., 2023).

3. RESEARCH METHODS

This research method uses a descriptive qualitative approach to evaluate the business sustainability strategy of PT Sandang Jaya Abadi after the merger with SGJB Group. The qualitative approach was chosen to gain a deep understanding of the company's internal conditions, the external environment of the baby garment industry, and post-merger operational dynamics. In accordance with the view (Wijaya, f 2021), the descriptive method provides a comprehensive overview of the strengths, weaknesses, opportunities, and threats faced by the company in developing its business strategy. Data collection was conducted through in-depth interviews with the company director, production manager, marketing manager, head of finance, operational staff, and production line workers. In addition to internal parties, the researcher also requested additional information from external partners such as raw material suppliers and marketplaces to understand demand patterns and industry competition. Direct observations were conducted on the production process at the Bandung factory to assess workflow, machine capacity, efficiency levels, and potential operational constraints. This observation also helps validate the interview data and shows how post-merger integration is going on in the field. This research also uses documentation studies, including 2023–2025 financial reports, COGS reports, production data, merger minutes, new organizational structures, and SGJB–SJA

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

sales data. External data such as BPS publications, government regulations related to the textile industry, and scientific journal articles are also used to support the external environmental analysis through the PESTEL model and Porter's Five Forces. Data analysis was conducted using the Miles and Huberman technique, which consists of data reduction, data presentation, and drawing conclusions. Next, SWOT was used to identify the company's strengths, weaknesses, opportunities, and threats. The SWOT results were then processed into the TOWS Matrix to formulate a business sustainability strategy. The Business Model Canvas (BMC) was used to map the post-merger business model of PT Sandang Jaya Abadi, because the BMC provides a logical overview of how the company creates, delivers, and captures value in a structured manner. The use of the BMC helps the company see the relationships between business components as a whole and evaluate elements that need to be improved or developed

2.3 PESTEL Analysis

To maintain the credibility of the findings, source and method triangulation were conducted by comparing interview data, observation results, and internal documents. Data reliability was maintained through consistently developed interview and observation guides. Furthermore, discussions with the owners and key management were conducted to ensure that the data interpretation and analysis results were in line with the company's actual conditions. The research population included all units involved in post-merger operations, both in the production (Bandung) and marketing (Tangerang) divisions. However, this study used a purposive sampling technique, selecting informants based on their knowledge and involvement in the merger process and business operations. Informants were selected intentionally because they were considered capable of providing information relevant to the research objectives.

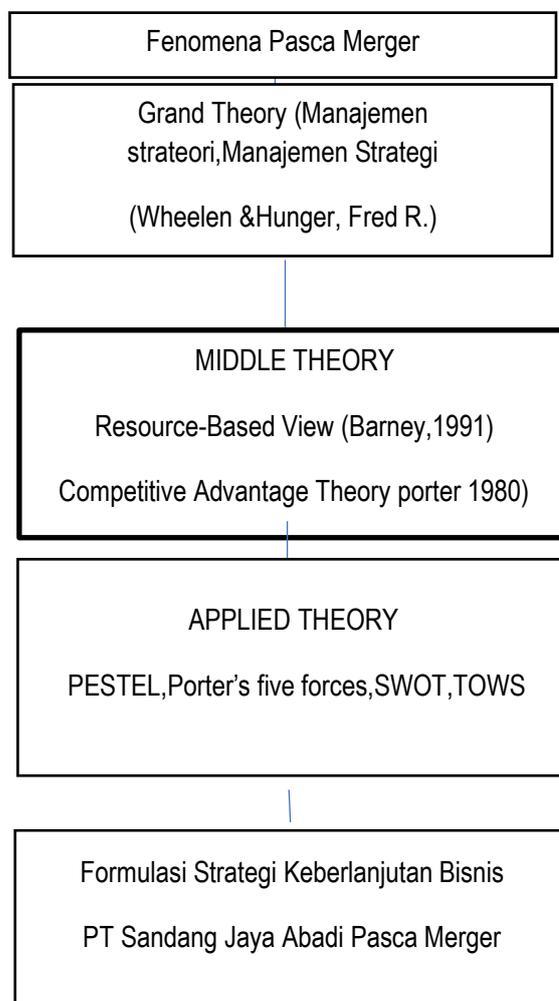


Figure 1. Relationship between Theories and Concepts

Source: Processed by researchers (2025) based on Porter (1980); Barney (1991); Wheelen & Hunger (2018); Wehrich (1982); Johnson et al. (2017).

4. RESULTS AND DISCUSSION

4.1 RESULTS

This section explains the main findings regarding the internal and external conditions of PT Sandang Jaya Abadi after the merger with SGJB Group. The analysis was conducted using PESTEL and Porter's Five Forces to assess the external environment, while the IFE and EFE matrices were used to identify the company's strengths, weaknesses, opportunities, and threats. The results of the SWOT and TOWS were then formulated as the basis for developing a business sustainability strategy. The study found that the merger brought major changes to the organizational structure, production flow, and coordination system between the marketing division in Tangerang and production in Bandung. The production process was running quite stable, but obstacles were still found such as limited machine capacity, lack of experienced operators, and inconsistent quality control processes. Financial data for 2023–2025 shows increasing product demand, but not yet accompanied by cost efficiency. Cost of Goods Sold (COGS) remains high due to rising raw materials, labor costs, and outdated production machinery. This weakens price competitiveness compared to imported products from China. PESTEL analysis indicates external pressures, primarily from the economic side, such as fluctuations in raw materials and consumer purchasing power. Meanwhile, Porter's Five Forces confirms high competition in the baby garment industry, including the threat of cheap substitute products and intense competition among local producers.

Table 1 Porter's Five Forces Analysis at PT Sandang Jaya Abadi

| Factor | Analysis |
|--------------------------------------|--|
| Threat of New Entrants | The garment industry is relatively easy to enter due to the low initial capital requirements, but price competition is fierce. PT SJA faces the challenge of maintaining its prices due to its higher cost of goods sold (COGS) compared to imported products. |
| Supplier Power | Raw material suppliers are in a strong position due to fluctuating fabric prices and dependence on imports. This increases production costs and squeezes company margins. |
| Buyer Power | Consumers have many product options, both local and imported. Buyers are price-sensitive, so companies must maintain quality while reducing costs. |
| Threat of Substitute Products | Imported products from China have become a significant substitute due to their extremely low prices. This threat reduces the competitiveness of companies in the low-price segment. |
| Industrial Competition | Competition is fierce, especially in the baby clothing category. Competitors employ aggressive pricing strategies and faster digital distribution. |

Source : Processed by researchers (2025)

SWOT analysis is used to identify internal and external factors that influence business sustainability, and serve as a basis for formulating corporate strategy. SWOT data is obtained from interviews with company owners, direct observation, and documentation studies to answer the problem formulation and map the Business Model Canvas (BMC) as a basis for determining strategy (Lestari, F., & Muttaqin, R, 2024) . The discussion process with management is carried out to ensure that each strategic factor produced represents the actual condition of the company. These factors are then entered into the IFAS (Internal Factor Analysis Summary) and EFAS (External Factor Analysis Summary) tables to be weighted and given a rating according to their level of influence (Muttaqin, R., 2020) . This analysis aims to identify strategic components that have positive and negative impacts on the company. **Strengths** and **Opportunities** are supporting factors that can strengthen a business's position, while **Weaknesses** and **Threats** represent challenges that need to be managed to prevent them from hindering growth. Internal factors encompass aspects that can be directly controlled by the company, such as product quality, production capacity, and operational management effectiveness. Meanwhile, external factors encompass market conditions, competition, industry trends, and economic changes that can directly or indirectly impact business performance (Darmawan, G., Muttaqin, R., & Herlinawati, E., 2024) . With this SWOT analysis, companies can comprehensively understand their strategic position and develop more appropriate policy directions. The SWOT identification results also serve as the basis for integration with the BMC model so that every business element—from customer segments and value propositions to cost structures—can be optimized for long-term business development. Therefore, this

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

analysis is expected to provide a strong foundation for companies in maintaining business sustainability and facing the increasingly competitive dynamics of the industry.

Table 2 SWOT Analysis of PT Sandang Jaya Abadi

| Category | Analysis |
|--------------------------|---|
| Strengths (S) | <ul style="list-style-type: none"> - Product quality is stable and controlled. - Production flexibility (baby clothes + maklon). - Long experience in garment manufacturing. |
| Weaknesses (W) | <ul style="list-style-type: none"> - Production machines are not yet modern (semi-manual). - Coordination between divisions after the merger is not optimal. - High operating costs & uncompetitive HPP. |
| Opportunities (O) | <ul style="list-style-type: none"> - Growth of e-commerce & demand for local baby clothes. - Opportunity for digital marketing expansion. - Consumer trends are choosing high-quality baby products. |
| Threats (T) | <ul style="list-style-type: none"> - Cheap imported products from China. - Fluctuations in raw material prices. - Tight competition among local garment manufacturers. |

Source: Processed by Researchers (2025); adapted from Wheelen & Hunger (2018) and David (2017).

However, the main weaknesses lie in the limited availability of automated machines, the lack of digital system integration, and post-merger coordination, which still requires improvement. The greatest opportunities arise from the growing e-commerce market and the trend of high-quality local baby clothing. Meanwhile, the main threats come from cheap imported products, rising operational costs, and competition from international brands. Based on the results of the TOWS analysis, companies can formulate several sustainability strategies such as increasing production efficiency, digitalizing business processes, strengthening quality control, developing new products with added value, and expanding marketing through digital platforms.

Table 3 TOWS Strategy Matrix of PT Sandang Jaya Abadi

| Matrix | Strategy |
|----------------------------------|---|
| SO (Strength–Opportunity) | <ul style="list-style-type: none"> - Develop premium products with high quality to take advantage of consumer trends. - Strengthen the baby brand in the marketplace by emphasizing quality. |
| WO (Weakness–Opportunity) | <ul style="list-style-type: none"> - Digitizing production systems to reduce costs and improve coordination. - Workforce training to improve efficiency and quality of output. |
| ST (Strength–Threat) | <ul style="list-style-type: none"> - Improving QC standards to face competition from cheap imported products. - Product differentiation for the middle to upper segments. |
| WT (Weakness–Threat) | <ul style="list-style-type: none"> - Gradual modernization of production machines to reduce HPP. - Establishment of a regular communication system between the Bandung and Tangerang teams to reduce coordination errors. |

Source Processed by Researchers (2025); adapted from Weihrich (1982).

In addition to PESTEL, Porter's, SWOT, and TOWS analyses, this study also developed a Business Model Canvas (BMC) to describe PT Sandang Jaya Abadi's post-merger business model. The BMC was used to comprehensively map the company's value proposition, core activities, key resources, cost structure, and customer relationships. This canvas helps demonstrate how organizational changes and the integration of marketing and production functions affect the company's business model. The external analysis considered the increasingly competitive dynamics of the Indonesian baby garment industry. Based on interviews with the marketing department, the company faces pressure from low-priced imported products, particularly from China. Furthermore, digital advertising costs in the marketplace have increased significantly, requiring the company to be more efficient in managing its marketing budget. Government regulatory factors, such as minimum wages, raw material import regulations, and labor-intensive industrial policies, also influence the company's cost structure. Macroeconomic conditions in 2023–2025 show

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

fluctuations in purchasing power that impact the demand for baby clothing. The results of the external factor analysis are described using **External Factor Evaluation (EFE)** , which will be presented in a table as part of the company's strategic evaluation.

Table 4 External Factor Evaluation (EFE)

| No | External Factors | Weight | Rating | Score |
|----------------------|--|-------------|--------|-------------|
| Opportunities | | | | |
| 1 | Growth in demand for baby clothes in e-commerce | 0.12 | 4 | 0.48 |
| 2 | Consumer trends towards quality local products | 0.10 | 3 | 0.30 |
| 3 | Baby clothing export opportunities | 0.08 | 3 | 0.24 |
| Threats | | | | |
| 4 | Cheap imported products from China | 0.15 | 2 | 0.30 |
| 5 | Fierce competition in the marketplace | 0.12 | 2 | 0.24 |
| 6 | Increase in raw material costs | 0.13 | 2 | 0.26 |
| 7 | Increasingly expensive digital advertising costs | 0.10 | 2 | 0.20 |
| TOTAL | | 1.00 | | 2.32 |

Source: Researcher's Processed Results (2025);

The EFE was designed to assess PT Sandang Jaya Abadi's ability to respond to external opportunities and threats post-merger. The assessment was based on garment industry data, interviews, and PESTEL and Porter's Five Forces analyses. The calculation results showed a total score of **2.32** , meaning the company's response to the external environment is in the **sufficient category** , but not yet optimal. This score illustrates that opportunities such as e-commerce growth and local product trends have not been optimally utilized, while threats such as cheap imported products, marketplace competition, and rising raw material costs still pose significant pressure. The dominance of these threat factors is what keeps the EFE score from reaching the "good" category. With a score of 2.32, PT Sandang Jaya Abadi needs to improve its digital marketing strategy, production efficiency, and product differentiation to be more competitive in the baby garment industry. Post-merger, the company also faced coordination challenges between the production division (Bandung) and the marketing division (Tangerang). Interviews showed that adjustments to market demand and production capacity were not optimal. Internally, product quality and production flexibility are key strengths, but high production costs remain a constraint.

Table 5 Internal Factor Evaluation (IFE)

| No | Internal Factors | Weight | Rating | Score |
|-------------------|---|-------------|--------|-------------|
| Strengths | | | | |
| 1 | Stable product quality | 0.12 | 4 | 0.48 |
| 2 | Production flexibility | 0.10 | 4 | 0.40 |
| 3 | Long experience in the baby garment industry | 0.10 | 3 | 0.30 |
| 4 | Strong supplier relationships | 0.08 | 3 | 0.24 |
| Weaknesses | | | | |
| 5 | High HPP because the machine is not yet optimal | 0.15 | 2 | 0.30 |
| 6 | Post-merger coordination is less effective | 0.13 | 2 | 0.26 |
| 7 | The digital system is not yet integrated | 0.12 | 2 | 0.24 |
| TOTAL | | 1.00 | | 2.52 |

Source of Researcher Processed Results (2025);

IFE was used to assess the internal strengths and weaknesses of PT Sandang Jaya Abadi after the merger. Based on interviews, observations, and document analysis, a total score of **2.52 was obtained** , indicating that the company's internal conditions are in the **fairly strong category** , although still need some improvements. The company's main

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

strengths include stable product quality, production flexibility, long experience in the baby garment industry, and well-maintained supplier relationships. These factors help the company maintain quality and adjust production according to market needs. However, there are weaknesses that still have a significant impact. Production costs (COGS) are still high due to limited automatic machines, post-merger coordination between the production and marketing divisions has not been effective, and the digital system is not yet integrated, causing operational processes and decision-making to be slow. With a score of 2.52, the company has sufficient internal capabilities to survive, but still needs to increase production efficiency, improve post-merger coordination, and accelerate system digitalization to strengthen its competitiveness in the baby garment industry.

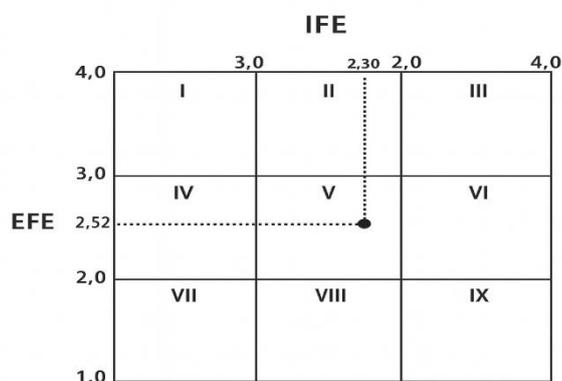


Figure 2 IFE and EFE Matrix Quadrants

Source: Processed by researchers (2025)

Based on an IFE score of 2.52 and an EFE score of 2.32, PT Sandang Jaya Abadi is in Quadrant V (Hold & Maintain). This position indicates that the company has quite good internal strength, but its ability to respond to external conditions is still moderate. With this position, the right strategy is to maintain ongoing performance while making gradual improvements, especially in production efficiency, post-merger coordination, and strengthening digital marketing. This strategy is expected to help the company maintain stability while increasing competitiveness in the baby garment industry.

Table 6 Business Model Canvas

| Key Partners | Key Activities | Value Propositions | Customer Relationships | Customer Segments |
|--|---|---|--|--|
| <ul style="list-style-type: none"> • IMC Group (investor) • Local & imported fabric suppliers • Marketplaces (Shopee, Tokopedia, Tiktok) • Expedition services (JNT, SPX, JNE SiCepat) • Production machine vendors (China) | <ul style="list-style-type: none"> • Baby clothing production • QC & finishing • Raw material procurement • Packing & distribution • Digital marketing & marketplace ads • Order management | <ul style="list-style-type: none"> • High quality baby clothing products & safe to wear • Simple design & does not fade easily • Competitive prices compared to local premium brands • SNI-ready • Flexible production (rompers, suits, pajamas, maklon gamis) | <ul style="list-style-type: none"> • Fast response customer service • Reseller community • Promotions in the marketplace • Complaint / after sales service | <ul style="list-style-type: none"> • Housewives 20–40 years old • New parents • Baby clothes resellers • Offline wholesale buyers (Bandung, Tangerang) |
| Key Resources | | Channels | | |
| <ul style="list-style-type: none"> • Workforce of ±80 people (Bandung & Tangerang) • Production machines & QC equipment • Capital from IMC | | <ul style="list-style-type: none"> • Marketplace (Shopee: Zeo Baby, Zeodda) • Social media (TikTok, Instagram) • Wholesale to resellers • Direct shipping from the warehouse | | |

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

| | |
|--|---|
| Group • Brand Zeo Baby & Zeodda • Production warehouse & marketing warehouse | |
| Cost Structure | Revenue Streams |
| • Raw materials (highest cost) • Employee salaries • Electricity & warehouse operational costs • Marketplace ads (high cost) • Machine maintenance • Transportation & logistics | • Retail marketplace sales • Wholesale sales to resellers • Production of gamis/dress maklon • Premium baby products |

Source Processed by Researchers 2025;

The Business Model Canvas was used to map PT Sandang Jaya Abadi's business model after its merger with the SGJB Group. The BMC helps explain how the company creates, delivers, and maintains value amidst the competitive baby garment industry. The analysis was based on interviews, observations of the production process, and internal company data.

Value Proposition.

PT Sandang Jaya Abadi offers safe, soft, and comfortable baby clothing with strict quality control standards. The products are positioned as high-quality baby clothing that follows trends yet remains affordable. Material safety, comfort, and neat production are key values that differentiate the company from low-cost imported products.

Channels.

Product distribution is carried out through marketplaces (Shopee, Tokopedia, TikTok Shop), social media for promotions, resellers/dropshippers, and wholesale sales to baby supply stores. Using digital channels allows the company to reach more customers at a low cost.

Key Activities.

Key activities include production, quality control, design development, marketplace management, digital promotion, and distribution. Following the merger, coordination between Bandung production and Tangerang marketing has become crucial to maintaining a smooth order flow.

Customer Relationship.

Customer relationships are built through fast and friendly service, product warranties, reseller programs, seasonal promotions, and social media interactions. Customer feedback in the marketplace serves as the basis for service improvements.

Customer Segments.

The company's primary segments include young mothers, young families, resellers and dropshippers, baby supply store owners, and marketplace customers. This segmentation aligns with the characteristics of the ever-growing baby clothing market.

Revenue Streams.

Revenue comes from online retail sales, wholesale, newborn bundling packages, and custom sales. Marketplaces contribute the most to total revenue.

Key Resources.

Important resources include skilled labor, production machinery, raw material suppliers, marketplace sales data, production facilities, and brand reputation. These resources underpin business sustainability.

Key Partnerships.

Strategic partnerships include fabric and accessory suppliers, shipping services, marketplace platforms, resellers, and machine technicians. These partnerships help ensure stable production and distribution.

Cost Structure.

Prime costs include raw materials, direct labor, production overhead, operating costs, and marketing.

digital, and shipping. The significant cost structure of COGS is a major challenge that must be addressed through efficiency. The Business Model Canvas mapping results show that post-merger, PT Sandang Jaya Abadi has a more integrated business model between production (Bandung) and marketing (Tangerang). The company's value proposition is increasingly strengthened in terms of product quality and comfort, but still faces cost structure challenges due to high COGS. The company's marketing channels have shifted predominantly to marketplaces,

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

increasing reliance on digital advertising costs. The BMC also shows that investors (IMC Group) are the main key partners, while marketplaces serve as the backbone of distribution. These findings reinforce the SWOT and TOWS analyses that the company needs to increase production efficiency, improve coordination between divisions, and strengthen product differentiation to win price competition with imported products.

4.2 DISCUSSION

The results of the EFE, IFE, SWOT, and TOWS analyses indicate that PT Sandang Jaya Abadi's post-merger position is in a fairly good competitive condition, but still faces internal and external challenges that need to be addressed immediately. An IFE score of 2.52 indicates that the company's internal strengths are quite strong, especially in stable product quality, production process flexibility, and long experience in the baby garment industry. However, operational efficiency remains a major problem due to high COGS, suboptimal post-merger coordination, and an unintegrated digital system. From the external side, an EFE score of 2.32 indicates that the new company is able to respond to opportunities and threats at a moderate level. Major opportunities come from the growth of e-commerce and increasing consumer interest in local products. However, external pressures mainly come from cheap imported products, intense competition in the marketplace, rising raw material prices, and increasingly high digital advertising costs. The TOWS analysis yielded several key strategies. The SO strategy emphasizes leveraging product quality and production flexibility to capture digital market opportunities. The WO strategy encourages machine modernization, strengthened post-merger coordination, and digital system integration to maximize these opportunities. The ST strategy focuses on quality differentiation and branding to address pressure from imported products. Meanwhile, the WT strategy emphasizes the need for increased efficiency and improved management to ensure the company's competitiveness. Overall, PT Sandang Jaya Abadi's business sustainability relies heavily on increased production efficiency, process digitalization, and improved internal coordination. Optimizing digital marketing strategies is also a crucial step in strengthening the ZEO BABY and ZEO DDA brands' market position. With these improvements, the company has the opportunity for sustainable growth amidst the dynamics of the baby garment industry.

5. CONCLUSION AND SUGGESTIONS

Research This study concludes that PT Sandang Jaya Abadi, after the merger with SGJB Group, is in a fairly competitive condition, as indicated by an IFE score of 2.52 and an EFE score of 2.32. The company's main strengths lie in stable product quality, production flexibility, and extensive experience in the baby garment industry. However, weaknesses remain, such as high production costs, limited machine technology, suboptimal post-merger coordination, and an unintegrated digital system. Externally, the company has significant opportunities through e-commerce growth and increasing consumer interest in local products, but also faces threats from cheap imported products, rising raw material prices, and intense competition in the marketplace. Based on the results of the SWOT and TOWS analyses, the company needs to improve production efficiency through machine modernization and COGS control, strengthen coordination between production and marketing divisions through digital system integration, and optimize e-commerce opportunities through strategic more targeted and efficient digital marketing. Furthermore, the company is advised to develop value-added products as a differentiation strategy and expand partnerships with suppliers and distribution platforms. With these steps, PT Sandang Jaya Abadi is expected to increase its competitiveness, expand its market share, and achieve long-term business sustainability amidst increasingly fierce competition in the garment industry.

REFERENCES

- Adianti, J., Tujuh Fathir N, T. Z., Wiryawan, A., Faiz Pohan, M., Abitah Zubeir, M., Jodi Fitrian, A., & Oktafianryh Ramadanny, A. (2025). Analisis Pestel Dan Strategi Differensiasi Dalam E-Commerce Erafone. *Journal of Applied Digital Business Research*, 1(1), 1–14. <https://journal.unesa.ac.id/digiventure>
- Barney, J., & . (1991). Firm resources and sustained competitive advantage. *Journal of Management*, 17(1), 99–120.
- Darmawan, G., Muttaqin, R., & Herlinawati, E. (2024). Business Development Strategy in the Jiwel Asli Mirasa Traditional Food Business Field Using SWOT Analysis and Business Model Canvas. *Jurnal Manajemen*.
- Handojo, R., Suryadi, N., Hardiatno, A., & Rafisukmawan, B. (2024). Analisa Porter's Five Forces dalam Keberlangsungan Usaha Perusahaan Asuransi. *Syntax Literate ; Jurnal Ilmiah Indonesia*, 9(10), 5550–5558. <https://doi.org/10.36418/syntax-literate.v9i10.16712>
- Lestari, F., & Muttaqin, R. (2024). SWOT and BMC-based strategy development for MSMEs. *JEMSI*, 144–155.

POST-MERGER BUSINESS SUSTAINABILITY STRATEGY AT PT SANDANG JAYA ABADI IN FACING COMPETITION IN THE GARMENT INDUSTRY IN BANDUNG

Anes Salim et al

- Mulyana, A., & Muttaqin, R. (2024). Formulasi Perancangan Strategi Pengembangan Usaha UMKM Masakan Khas Sunda Warung Nasi Teh Emas Dengan Analisis SWOT Dan Business Model Canvas. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, 10(6), 3219–3227. <https://doi.org/10.35870/jemsi.v10i6.3325>
- Muttaqin, R. (2020). Analisis disruptive marketing pada perusahaan startup (PT. Gojek Indonesia). *Jurnal Kajian Manajemen Bisnis*, 9(2), 101. <https://doi.org/10.24036/jkmb.10981400>
- Putra, W. E., Fadilah, A. R., Panjaitan, D., & Nisa, K. (2025). Analisis Penggunaan Bisnis Model Canvas Pada Usaha Mikro, Kecil Dan Menengah (UMKM): A Systematic Literature Review. *Jurnal Bahtera Inovasi*, 9(1), 45–53. <https://ojs.umrah.ac.id/index.php/bahterainovasi/article/view/7265?articlesBySimilarityPage>
- Siregar, D. (2023). Tantangan Eksternal Industri Garment Menggunakan Model PESTEL. *Jurnal Industri & Bisnis*, 7(1), 33–47.
- Tarisa Aulia Ananda, Nabilla Kusuma Dewi, & Mohamad Zein Saleh. (2023). Fenomena Perubahan Strategi Pemasaran dalam Menghadapi Tantangan di Era Digital. *Jurnal Publikasi Ilmu Manajemen*, 2(4), 98–107. <https://doi.org/10.55606/jupiman.v2i4.2738>
- Wijaya, f. (2019). Formulasi Perancangan Strategi Pengembangan Usaha Menggunakan Analisis SWOT. *Jurnal Ilmu Manajemen Dan Bisnis*, 10(2), 205–212.
- Wijaya, f. (2021). Business integration and strategic restructuring after merger. *Jurnal Manajemen INABA*.
- Wulandari, E. (2024). Adaptasi Industri Tekstil Bandung Terhadap Produk Impor. *Jurnal Ekonomi & Bisnis*, 14(1), 55–66.